ANNUAL REPORT
FOR THE FISCAL YEAR 2023

CORPORACIÓN FINANCIERA ALBA, S.A.

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BOARD OF DIRECTORS AND MANAGEMENT

BOARD OF DIRECTORS

CHAIRMAN

Mr. Carlos March Delgado

VICE CHAIRMEN

Mr. Juan March de la Lastra

Mr. Juan March Juan

COORDINATING BOARD MEMBER

Mr. Antón Pradera Jáuregui

BOARD MEMBERS

Mr. Ignacio de Colmenares Brunet

Mrs. María Eugenia Girón Dávila

Mrs. María Luisa Guibert Ucín

Mr. Santos Martínez-Conde Gutiérrez-Barquín

Mrs. Claudia Pickholz

Mrs. Ana María Plaza Arregui

NON-BOARD MEMBER SECRETARY

Mr. José Ramón del Caño Palop

Note: Composition of the Board of Directors as of March 18th, 2024, the date of preparation of 2023 Annual Accounts.

AUDIT AND COMPLIANCE COMMITTEE

Mrs. Claudia Pickholz	Chairwoman
Mrs. María Eugenia Girón Dávila	Member
Mrs. Ana María Plaza Arregui	Member
Mr. José Ramón del Caño Palop	Secretary

APPOINTMENTS AND REMUNERATION COMMITTEE

Mrs. María Eugenia Girón Dávila	President
Mr. Carlos March Delgado	Member
Mr. Santos Martínez-Conde Gutiérrez-Barquín	Member
Mrs. María Luisa Guibert Ucín	Member
Mr. José Ramón del Caño Palop	Secretary

INVESTMENT COMMITTEE

Mr. Antón Pradera Jáuregui	President
Mr. Ignacio de Colmenares Brunet	Member
Mrs. Claudia Pickholz	Member
Mr. Juan March de la Lastra	Member
Mr. Juan March Juan	Member
Mr. Santos Martínez-Conde Gutiérrez-Barquín	Member
Mrs. Ana María Plaza Arregui	Member
Mr. José Ramón del Caño Palop	Secretary

Note: Composition of the Board Committees as of March 18th, 2024, the date of preparation of 2023 Annual Accounts.

MANAGEMENT

GENERAL MANAGERS	Mr. Javier Fernández Alonso
	Mr. Carlos Ortega Arias-Paz
DIRECTORS	Mr. José Ramón del Caño Palop
	Mr. Félix Montes Falagán
	Mr. Andrés Zunzunegui Ruano

LETTER FROM THE CHAIRMAN OF THE BOARD OF ADMINISTRATION

Ladies and gentlemen, shareholders:

Once again, I am pleased to inform you on the performance of Alba and its main investees over the past year and the first few months of 2024.

As an introduction, we could say that 2023 has been, to some extent, a transition year between the post-pandemic recovery and a new global geopolitical and macroeconomic scenario, which started in 2022 with the Russian invasion of Ukraine and the notable increase in inflation in the world´s main economies, with the consequent reaction of the Central Banks via very significant increases in interest rates.

If we delve deeper into the **geopolitical situation**, the uncertainty and the level of risk have increased, or perhaps simply become more tangible, as a result of the war in Ukraine and the renewed conflict in the Middle East, always in the context of the more or less hidden tensions between the United States and China.

Leaving aside the terrible cost and suffering caused by the aforementioned conflicts, it should be noted that, at least so far, they have generally remained contained in their respective geographic areas, with relatively brief one-off economic impacts outside of these regions, such as the increase in gas prices in Europe during 2022.

However, these conflicts are far from being resolved and have the potential to rapidly escalate with global effects, making geopolitical risk very material and a real threat.

This instability could also be contributed to by the massive electoral cycle in 2024, which will involve more than 70 countries and close to 50% of the world's population, including regions and countries as relevant as the European Union, the United Kingdom, India, Pakistan, Indonesia and, of course, the United States at the beginning of November. Although the rise of populist and/or extremist electoral spectrum, both left and right, may increase instability in certain countries or the risk of local conflicts, there is no doubt that a radical change in US economic and foreign policy could have significant implications at global level, contributing to an increase in overall geopolitical risk.

From Alba's point of view, its strategy of investing for the long term in a relatively limited number of holdings of significant size makes it difficult to quickly change the composition of its portfolio in the face of geopolitical events. However, Alba tries to reduce the geopolitical risk of its portfolio as a whole. On the one hand, by focusing its investments on companies that operate in stable countries with a high level of legal certainty and a political, social and regulatory environment that respects the free market and, on the other hand, with adequate geographic diversification.

If we focus on the second mentioned aspect - the **macroeconomic situation – the** last year was marked by the evolution of inflation and the monetary policies of the Central Banks, with two very differentiated parts: the first half of the year where interest rate hikes initiated in mid-2022 continued with the inflation rates already decreasing, but still very high, and the second half without new rate increases, awaiting the evolution of inflation towards the target levels of Central Banks.

Logically, such substantial and rapid rises in both inflation and interest rates significantly increased uncertainty about the evolution of the world's main economies, raising the probability of a recession during the year. However, this possibility declined over the course of the year, with economies showing remarkable resilience in terms of growth and employment generation.

It is true that the effect of monetary policy on the economy always shows a certain time lag and that there were transitory factors in inflation originated in 2021 and 2022, such as the supply chain crisis in the post-Covid reopening or the impact of the Ukrainian war on energy costs. However, macroeconomic performance in 2023 was generally very satisfactory and clearly better than overall market expectations. In fact, the two largest economies that performed worst last year - Germany and China - were affected by very specific factors, such as, in one case, the war in Ukraine and its impact on energy costs and, in the other, a real estate crisis and a slowdown in domestic consumption.

However, we must not forget that, despite the increase in interest rates, the effect liquidity excess liquidity from previous years is still dragging on and that this monetary restriction has been still accompanied in many cases by expansive fiscal policies. Although lower than in previous years, these fiscal policies have been largely financed by the positive effect of inflation on tax collection – having Spain as an example- and also thanks to the fact that the average cost of public debt is still low, since interest rate increases have only had an effect on new debt issues since mid-2022.

It is precisely at this point that some uncertainties arise with a view to 2024 and beyond, since it is to be expected that the positive impact of inflation on revenue collection will gradually dissipate and, although interest rates may fall, the average financing costs of the Countries will gradually increase in a context of greater pressure to reduce public deficits - due to high public indebtedness - which will lead to less expansionary fiscal policies. And, although in general, the private sector has a substantially lower level of indebtedness than before the Financial Crisis 15 years ago, the gradual increase in financial expenses, together with the impact of inflation on household disposable income, could contribute to a certain economic slowdown in the coming years. Although it is still to be confirmed, it is possible that, to some extent, the time lag of the changes in monetary policy has been underestimated and we could see in 2024 and 2025 the impacts that had been predicted for 2023.

Although a more detailed reference in the matter later on, it is necessary to highlight that monetary policy and, more specifically, the calendar of possible interest rate reductions have marked the evolution of the markets during the second half of 2023 and the first months of 2024 and we believe this will be likely to continue until a stable level of interest rates in the long term is settled. Clearly, interest rates have a big impact on company valuations, especially in high-growth sectors such as technology, the big player over the past two to three years. But we think that markets may not be aware of key issues such as, for example, that the possible lowering of interest rates will only occur if inflation slows and, at the same time, if economies show clear signs of slowing. Thus, interest rates would stabilize at levels above those of the last 10-15 years, which are extraordinarily low from a historical perspective. In summary, investors should never forget that the key long-term variable in the markets is companies' earnings and cash flow generation potential, which is more closely linked to general macroeconomic developments in the medium and long term than to interest rate variations in the short term.

If we focus briefly on the macroeconomic evolution of **Spain**, the most relevant data is that real GDP grew by 2.5% in 2023, in line with the growth rates prior to the pandemic and higher than those of the main economies of the Euro zone. This growth is explained by the good performance of both internal and external demand but presents a declining quarterly evolution and a fall in gross capital creation in the second half of the year, especially in the real estate sector.

This economic growth has translated into a good **employment** performance, with a considerable increase in the number of employees - reaching an all-time high of more than 21 million people by the end of 2023 - and a reduction in unemployment to levels slightly above 2.8 million people, the lowest since the third quarter of 2008. According to the Working Population Survey, the unemployment rate ended 2023 at 11.8%, the lowest level at the end of a fiscal year since 2007.

The **CPI** showed a substantial moderation of the inflation rate to 3.1% year-on-year at the end of 2023, compared to 5.7% in 2022 and 6.5% in 2021. Core inflation closed the year at a higher level - 3.5% - but far from the 7.5% year-on-year at the end of the previous year.

As for **public indebtedness**, it stood at 108% of GDP in Spain at the end of 2023, a level below the historical peak of 120% reached in 2020. As in 2021 and 2022, this percentage fell in 2023 thanks to GDP growth, but the gross amount of public debt continued to increase, although this increase (4.7%) was slightly lower than in previous years, due to a fall in the public deficit, which fell to 3.7% of GDP.

However, this lower deficit was made possible by the increase in tax revenues due to economic growth, the higher tax burden and, to a large extent, the positive effect of inflation, but public spending continued to increase, even above GDP growth, which could turn into a weakness if economic activity were slow down.

Due to all of the above, and despite this slight improvement in the deficit and debt ratio, the level of public debt continues to be very high, which is why we reiterate, once again, the need for structural reforms that favor economic growth and private initiative and make progress in the containment of public spending, the sustainability of pensions and the improvement and modernization of our educational system.

As of the **stock markets**, they performed extraordinarily positive in 2023 after the falls of the previous year, thanks to the momentum of technology, the remarkable resilience of economic growth, the moderation of energy costs (in Europe) and, as we have already mentioned, expectations of lower interest rates; and all this despite continued and growing geopolitical uncertainties.

In fact, all of the world's major indices showed increases in 2023, except for the major indices of the Chinese markets; for example, the Hang Seng index of the Hong Kong Stock Exchange fell by -13.8% in the year.

Within the main world stock markets, it is worth highlighting the performance of the North American indexes, which once again beat the record highs reached at the end of 2021: the S&P 500 (+24.2%) and the Nasdaq 100 (+43.4%) presented some of the highest revaluations due to their strong exposure to technology companies, thanks to the development of Artificial Intelligence and expectations of lower interest rates. The Dow Jones, although also at record levels, showed more moderate gains (+13.7%). The performance was similar in many European markets, such as the French CAC 40 (+16.5%), the German DAX (+20.3%), the Dutch AEX (+14.2%) and the Italian Mibtel (+28.0%), while only the British FTSE and the Swiss SMI posted gains of less than 5.0% for the year.

The **Ibex-35** also performed very positively (+22.8%), thanks largely to the weight of the financial sector - one of the sectors that has benefited most from the normalization of interest rates - and the stock market performance of companies such as Inditex.

The Japanese Nikkei deserves special mention, which was one of the indices that appreciated the most during the year (+28.2%), and in February 2024 surpassed the level of 40,000 points, a new all-time high since December 1989. Although its origins lie in a local real estate, credit and macroeconomic crisis, this 35-year span is nonetheless a warning of the long-term impact that a stock market bubble can have on investors.

Within this positive market performance, it is necessary to highlight the high influence that technology has on the performance of some indexes, among which the S&P 500 stands out, where seven stocks together represent 30% of the index and account for most of the recent gains. This high concentration reduces the representativeness of the indices with respect to the market and the economy in general, increases market volatility and hinders diversification, all in a context of continued growth of passive management.

This positive trend has continued in the equity markets in the first months of 2024, with rises in all the main world indices up to 18th March (date of approval of the 2023 Annual Accounts by Alba's Board of Directors), with Japan once again standing out with a +16.0% increase and the North American indices, with the S&P 500 and Nasdaq 100 both rising by nearly 8.0%. All of them at new all-time highs. Over the same period, the Eurostoxx 600 rose by 5.2% and the Ibex 35 by 4.9%.

In the current environment, at Alba we maintain a high level of prudence, as we believe that market valuations may not be adequately capturing the risks and factors mentioned above. In any case, at Alba we maintain our investment philosophy unchanged, focusing on the long term, with low debt, an appropriate balance between return and risk and giving priority to companies with solid balance sheets and management models. The key to investing in the equity markets over the medium and long term ultimately lies in the performance of companies' earnings and cash generation. We believe that Alba can find good investment opportunities, even in the current environment, thanks to its long-term vision, flexibility and zero debt.

Turning now to **Alba**'s performance in 2023, Net Asset Value (NAV) increased by 9.6% during the year, to €5,797 million at year-end. NAV per share increased by 7.7%, ending the year at €96.12 per share. The difference in the annual evolution of NAV and NAV per share is explained by the capital increase carried out in the middle of the year as a result of the flexible dividend.

In contrast, in the first months of 2024, through March 18, NAV and NAV per share declined by 8.1% to €5,325 million and €88.31 per share, respectively.

Alba's share price rose 11.2% in 2023 to €48.00 per share at year-end, outperforming the Eurostoxx 600 (+19.2%) and the Ibex-35 (+22.8%).

In the year to 18 March, Alba's share price fell by 1.4% to €47.35 per share, compared to increases of 4.9% for the Ibex-35 and 5.2% for the Eurostoxx 600.

Alba's consolidated net income in 2023 was €234.0 million after taxes, compared to €436.4 million of the previous year. This decline was mainly due to lower earnings contributed by some of our investees, a decline in the fair value of investment properties, lower capital gains on asset sales and an accounting impairment at one of our investees.

As a result, Alba reported net income of €3.88 per share for the year, compared to net income of €7.37 per share in 2022.

This report provides a more detailed analysis of the various items comprising Alba's income statement and balance sheet, as well as information on the performance of our main investees in 2023.

In 2023, the volume of **investments amounted to** €209.3 million, compared with €268.8 million in the previous year. The main investments made in the year were as follows:

~ The purchase of an additional 1.97% stake in Technoprobe for €82.5 million, to reach 5.23% at the end of the year.

~ The acquisition of an additional 2.54% stake in Inmobiliaria Colonial, for €77.4 million, to reach 5.01% at the end of the year.

~ The granting of a subordinated loan to our investee Profand in the amount of €28.6 million, for the acquisition of a productive asset in the United States.

~ Other financial investments, for a total amount of €20.8 million.

In addition, divestments totaling €34.0 million were made last year, compared with €168.0 million in 2022, including the sale of financial investments in the trading portfolio and the sale of the stake in Artá Partners to its management team. This sale, which took place in March 2023, means that the holdings in Nuadi, Facundo and Gesdocument will no longer be fully consolidated as of that date.

As a result of these asset purchases and sales, Alba's net cash decreased from €110.2 million at the end of 2022 to €16.4 million at the end of 2023. Despite this reduction, the cash position, combined with the dividend and income streams received from our portfolio and Alba's borrowing capacity, gives our Company significant financial capacity to undertake new investments. Faithfull to the philosophy of prudence and long-term vision, Alba continues to analyze new investment opportunities in listed and unlisted companies, both in Spain and abroad.

With regards to **good corporate governance standards and practices**, Alba has continued its efforts to incorporate into its internal regulations and practices the latest regulatory developments and recommendations on good corporate governance.

Regarding internal regulation and policies, during 2023, the Board approved a new Sustainability Policy, to incorporate best practices in environmental, social and corporate governance matters, without radical changes to the principles, commitments and objectives of the Policy. For the same purpose, a review of the Investment Policy was also carried out, concluding that it was consistent with the approved Sustainability Policy and that, for the sole reason of its approval, it was not necessary to modify the Investment Policy. Likewise, the modification of the Board's Remuneration Policy was submitted to the General Shareholders' Meeting for approval, to bring the remuneration of the members of the Audit and Compliance and Appointments and Remuneration Committees in line with those of other comparable companies, and the maximum amount of the remuneration of the Board Members in their capacity as such was also approved. Finally, in January 2023, the Shareholder Remuneration Policy was approved to replace the Dividend Policy, still in effect until then, with the purpose of expressly including the possibility of applying "flexible dividends" and maintaining the objective of an annual recurring dividend - in cash or by means of a flexible dividend - of €58,240,000.

In addition, as part of its internal regulations, the Board approved a new Code of Ethics and Conduct, which incorporates certain provisions of Law 2/2023 of 20 February, which regulates the protection of people who report regulatory infringements and the fight against corruption, although it is not fully applicable as Alba does not have the required number of employees.

In the organizational area, it is worth mentioning the modification of the agreement regulating the Investment Committee, so that up to seven members of the Board may form part of it and that all independent Board Members may form part of this Committee during part of their term of office.

As regards to gender diversity in the composition of the Board, following Recommendation 15 of the Good Governance Code of Listed Companies, the Board set in 2020, as per the proposal of the Appointments and Remuneration Committee, the target for representation of the underrepresented sex on the Board of Directors at 40% of the total number of Board members and the guidelines for meeting it, this target having been achieved on the occasion of the General Meeting held in June 2021 and the same percentage being maintained during 2023 and at the present time.

In relation to the evaluation of the Board, in accordance with recommendation 36 of the Good Governance Code of Listed Companies, the Board of Directors carried out the evaluation of its performance during 2023 internally due to the fact that the previous year it already had the collaboration of an external consultant for the evaluation of the Board's performance in 2022.

Also, in relation to the recommendations of the Good Governance Code for Listed Companies, it should be noted that in 2023 Alba complied almost in full with these recommendations. Specifically, out of a total of 64 recommendations, 54 were applicable, of which 53 were fully complied with and only one was partially complied with, relating to the compensation provided for in Alba's Remuneration Policy in the event of termination or cancellation of the contract of Executive Directors, but which is not actually applicable as there have been no such Directors since 2020.

It is also worth mentioning that the following reports and documents were approved: the Annual Corporate Governance Report, the Report on Directors' Remuneration, the Statement of Non-Financial Information, the Report on Related-Party Transactions and the Evaluation of the Board, as well as other additional reports issued by the Board Committees. The Internal Audit and Follow-up reports on Risk Control and Management, Regulatory Compliance and Crime Prevention have also been prepared and submitted to the corresponding bodies.

In connection with the **distribution of profit for the year**, in July 2023 a gross dividend of €0.961 per share was distributed as a flexible or *scrip dividend*, subject to the approval of Alba's shareholders at the Annual General Meeting. This dividend included the issuance of 1,060,012 new ordinary shares to shareholders who chose to receive the dividend in shares, and a cash payment of €6.0 million to the remaining shareholders.

For 2024, the Board of Directors has proposed to the Annual General Meeting of Shareholders the distribution of a gross dividend of €0.96 per share in cash.

Finally, in previous occasions, I would like to end this letter by expressing, on behalf of the entire Board of Directors, our gratitude to the employees of our Company and of all our investee companies for their professionalism, enthusiasm and dedication, and to all of you, our shareholders, for your trust and support.

Cordially yours,

Carlos March Delgado

Madrid, 18th March 2024

MOST SIGNIFICANT DATA

ECONOMIC – FINANCIAL INFORMATION

(In millions of euros, unless otherwise indicated)	**2023**	2022	2021	2020
Share capital	**60**	59	58	58
Net equity	**4,786**	4,619	4,205	4,024
Shares outstanding (thousands)	**60,305**	59,245	58,240	58,240
Net income	**234**	436	303	(102)
Dividends (1)	**57**	87	58	58
Earnings in euros per share	**3.88**	7.37	5.20	(1.76)
Dividend in euros per share (1)	**0.96**	1.49	1.00	1.00

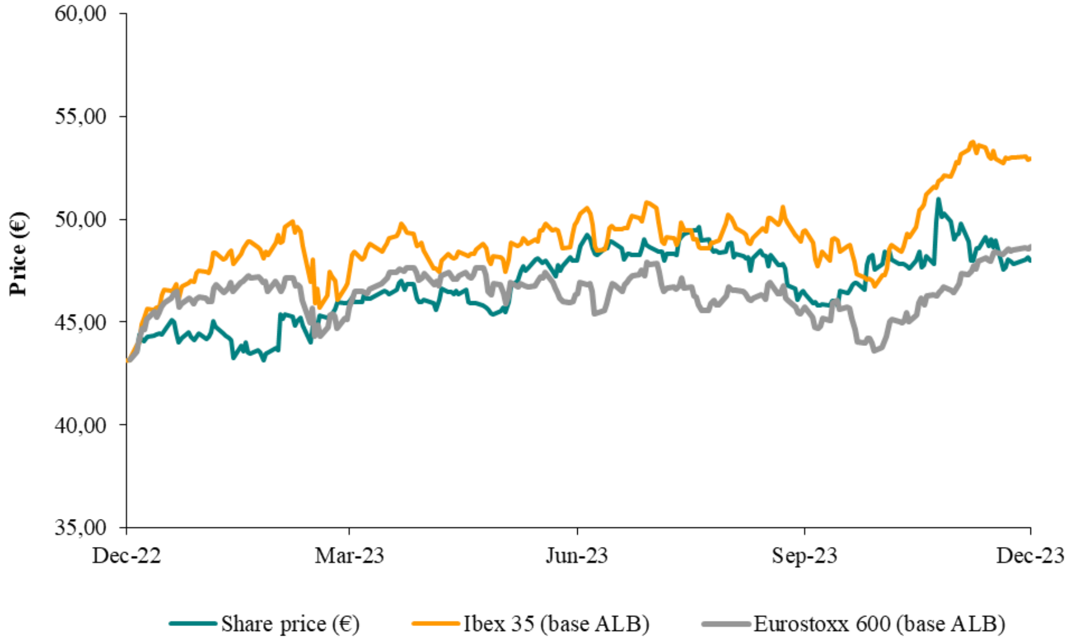
Note 1: Includes both cash dividends and share-based disbursement.

STOCK MARKET

	2023	**2022**	2021	2020
Closing price in euros per share				
Maximum	**51.00**	57.00	51.50	48.55
Minimal	**43.15**	42.50	37.85	30.85
Last	**48.00**	43.15	51.50	38.95
Market capitalization at 12/31 (millions of euros)	**2,895**	2,556	2,999	2,268
Volume traded				
Number of shares (thousands)	**3,168**	4,489	3,668	6,706
Millions of euros	**147**	225	167	244
Daily average (millions of euros)	**0.6**	0.9	0.7	0.9
Dividend yield (on last price)	**2.0%**	3.5%	1.9%	2.6%

Alba's share price increased by 11.2% in 2023, although this was lower than the Ibex-35, which rose by 22.8%, and in line with the growth of the Eurostoxx 600, which increased by 12.7% over the year.

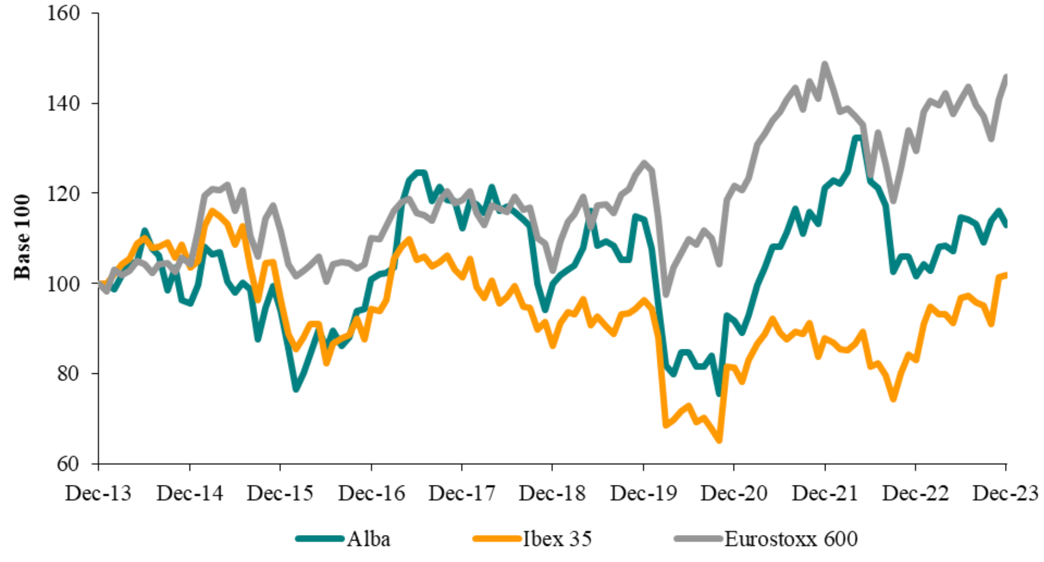
Alba's stock market performance in 2023 compared to Ibex-35 and Eurostoxx 600



Source: Bloomberg.

However, the performance of Alba's share on the stock exchange over the last ten years, has been better than that of the Ibex-35, although it is lower than the performance of the Eurostoxx 600. From December 2013 to the end of 2023, the price of Alba's share rose by 12.9%, while during the same period the Eurostoxx 600 rose 45.9% and the Ibex-35 increased by 1.9%.

Alba's stock market performance over the last 10 years compared to Ibex-35 and Eurostoxx 600



Source: Bloomberg.

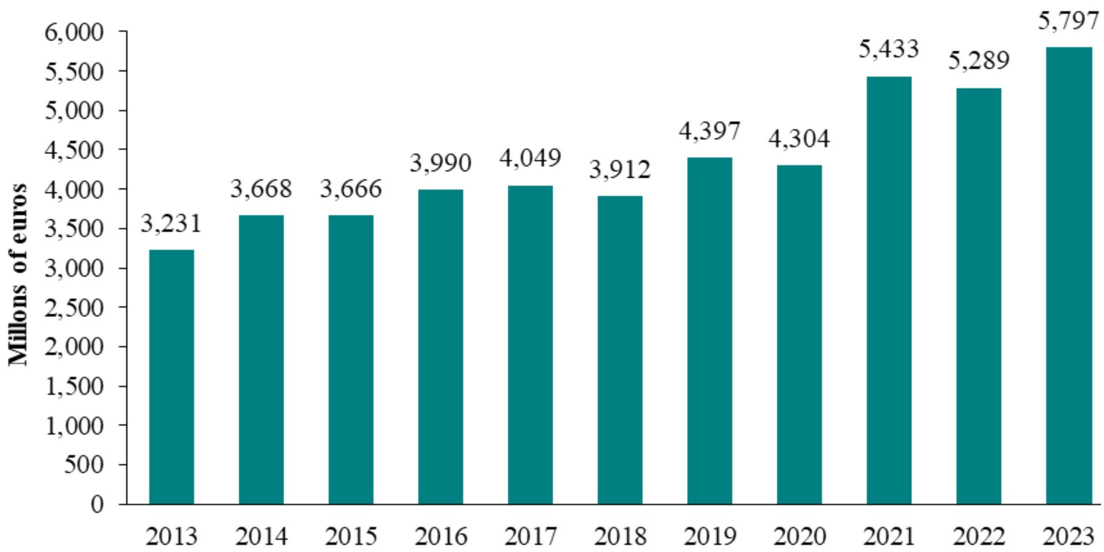
NET ASSET VALUE

(In millions of euros, unless otherwise indicated)	**2023**	2022	2021	2020
Data at 12/31				
Net Asset Value	**5,797**	5,289	5,433	4,304
Net asset value in euros per share	**96.12**	89.27	93.29	73.89

In 2023, the Net Asset Value (NAV) increased by 9.6% to nearly €5.800 million.

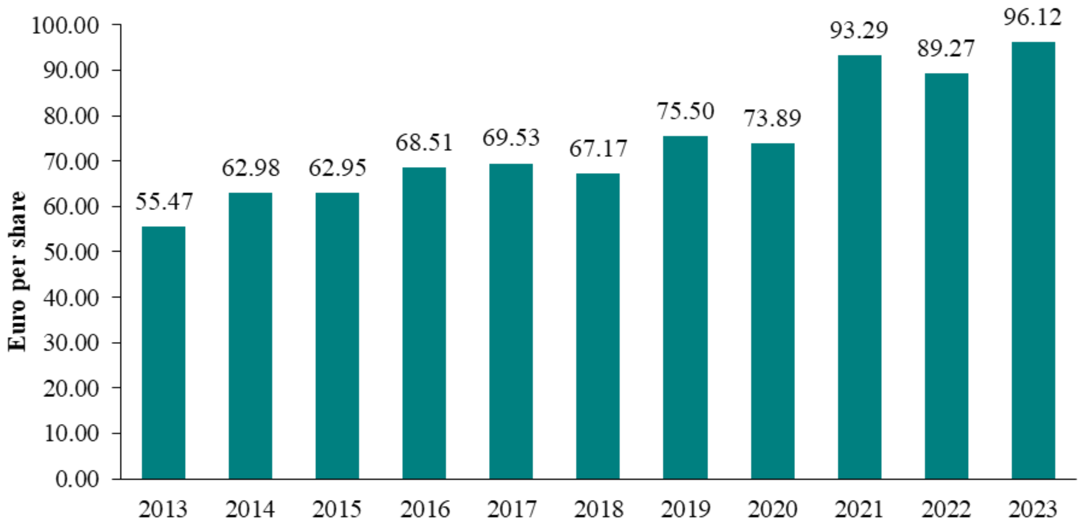
The following graph shows the evolution of NAV since the end of 2013, where it can be seen that Alba's NAV has grown by 79.4% over the last 10 years:

Evolution of the Net Asset Value before tax (at Dec. 31)



The following table shows the evolution of the NAV per share in circulation over the same period, before tax, at December 31 of each year:

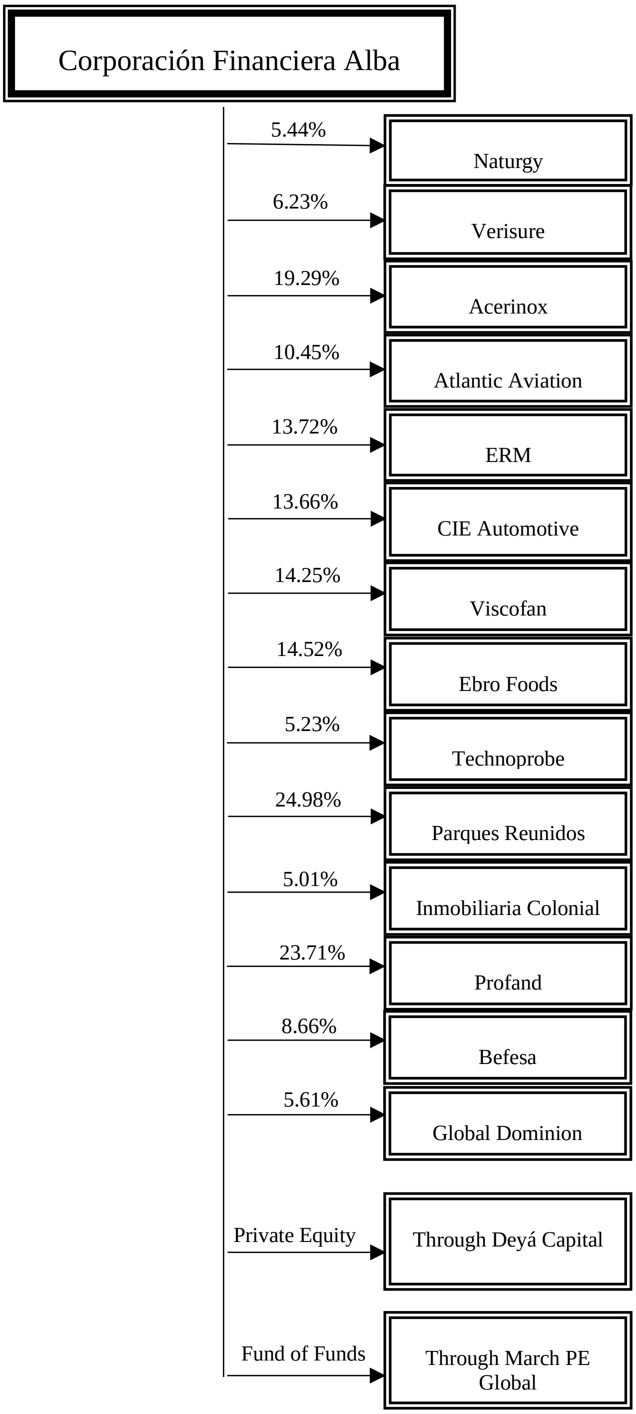
Evolution of the Net Asset Value per share before tax (at Dec. 31)



In the last ten years, Alba's NAV per share increased by 73.2%, a much higher growth than that of the Eurostoxx 600 (+45.9%) and, especially significant compared to that of the Ibex-35 (+1.9%), both already mentioned. It should be noted that, in this period, Alba distributed dividends to its shareholders, both in cash and shares, totaling €10.46 gross per share. Taking these dividends into account, Alba's NAV per share would have increased by 110.0% over the last ten years.

INVESTMENT PORTFOLIO

Structure of Alba's main Investee Companies ats of 31 December 2023*:



* Direct and indirect shareholdings in the operating Companies.

Value of the portfolio at December 31, 2023:

Listed companies[2]	Percentage of ownership	Cash value on the stock exchange[1] Millions of euros	Euros per share
Naturgy	5.44	1,076.5	27.000
Acerinox	19.29	512.5	10.655
CIE Automotive	13.66	420.9	25.720
Viscofan	14.25	355.2	53.600
Ebro Foods	14.52	346.8	15.520
Technoprobe	5.23	272.0	8.645
Colonial Real Estate	5.01	176.9	6.550
Befesa	8.66	121.9	35.200
Global Dominion	5.61	28.5	3.360
Total stock market value		**3,311.2**	
Total book value		2,876.0	
Unrealised capital gain		**435.2**	
Unlisted companies[3]		**2,116.0**	
Real Estate properties[3]		**316.7**	

Note 1: Prices at the last exchange rate in December.

Note 2: Shareholdings consolidated by the Equity method, except for Befesa, Technoprobe, Inmobiliaria Colonial and Global Dominion, which are accounted for at fair value.

Note 3: External valuation or acquisition cost of the most recent investments.

The evolution of the investment portfolio in recent years is detailed below:

	Percentage of ownership (%)			
LISTED COMPANIES	**12-31-2023**	**2023 Variation**	12-31-2022	12-31-2021
Naturgy	**5.44**	**-**	5.44	5.44
Acerinox	**19.29**	**0.77**	18.52	17.78
CIE Automotive	**13.66**	**0.31**	13.35	12.73
Viscofan	**14.25**	**-**	14.25	13.97
Ebro Foods	**14.52**	**-**	14.52	14.44
Technoprobe	**5.23**	**1.97**	3.26	**-**
Colonial Real Estate	**5.01**	**2.55**	2.46	1.79
Befesa	**8.66**	**-**	8.66	5.10
Global Dominion	**5.61**	**0.06**	5.55	5.27
Indra Systems	-	**-**	-	3.21
UNLISTED COMPANIES				
Verisure[1]	**6.23**	**-**	6.23	6.24
Atlantic Aviation	**10.45**	**0.98**	9.47	12.28
ERM	**13.72**	**-0.96**	14.68	14.68
Parques Reunidos	**24.98**	**-**	24.98	24.98
Profand	**23.71**	**-**	23.71	23.71

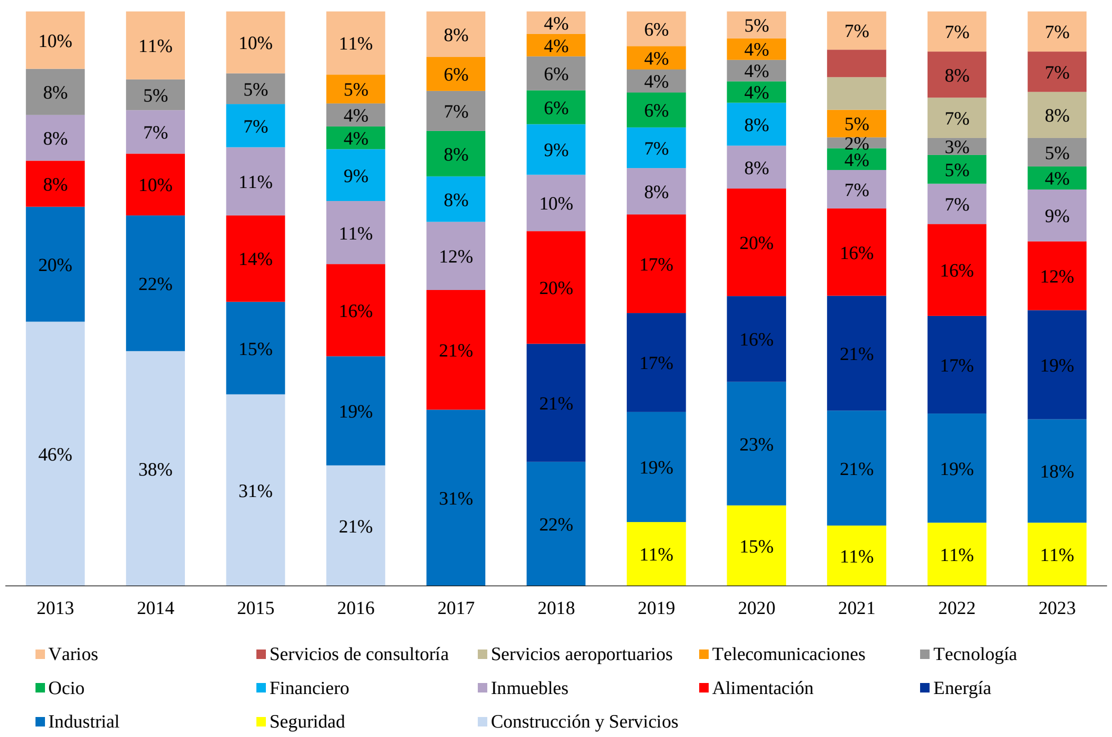
Note 1: Shareholding net of minority shareholders in Alba Investments, S.à r.l.

Apart from the already mentioned purchases and sales of shares in the letter from the Chairman, it should be noted that the increase in the stake in Acerinox, CIE Automotive and Global Dominion in 2023 and 2022 were due to the amortization of own shares carried out by these companies. On the other hand, the change in the percentage of ownership in Atlantic Aviation is due to the reinvestment of the dividend received from the Company in the purchase of shares of this company. Finally, ERM has changed its percentage of ownership because of the incentive plan of the company's management team.

SECTOR DIVERSIFICATION

Adding together the market value of holdings in listed and unlisted companies, and real estate properties, gives the following sectoral distribution of Alba's investments (in percentage terms):

Sectoral breakdown of Alba's portfolio by sector (at Dec. 31)



The composition of Alba's portfolio has changed substantially over the last 10 years, with a significant increase in sector diversification.

From 2013 to 2023, Alba invested in new sectors such as Energy (Naturgy), Leisure (Parques Reunidos), Real Estate (Inmobiliaria Colonial), Airport Services (Atlantic Aviation) and Consulting Services (ERM), and significantly increased the weight of Industrial sector (Acerinox, CIE Automotive and Befesa) and Food sector (Ebro Foods, Viscofan and Profand). In contrast, in this period it fully divested from the Construction and Services sector (ACS, in 2017), the Financial sector (Bolsas y Mercados Españoles, in 2020) and the Telecommunications sector (Euskaltel, in 2021) sectors. Within the Security sector, the shareholdings in Prosegur were sold in 2013 and since

2019 it has again been present in this sector with the investment in Verisure. In the Technology sector, Indra Sistemas was completely divested in 2022, but invested in Technoprobe in the same year. The "Miscellaneous" category mainly includes holdings in unlisted companies through the Deyá Capital IV vehicles and March PE Global, varying its weight according to the different investments and divestments made, as well as the financial shareholdings in other listed companies.

CONSOLIDATED ECONOMIC AND FINANCIAL INFORMATION

The consolidated financial information has been prepared in accordance with International Financial Reporting Standards (IFRS-EU).

As a result of the loss of control of the private equity management company Artá Capital, SGEIC, S.A.U., the Group has ceased to exercise control over Grupo Disfasa, S.L. ("Facundo"), Miralda Activos, S.L.U. ("Nuadi") and Gesdocument y Gestión, S.A. ("Gesdocument"), and therefore, from the second quarter of 2023, these subgroups have ceased to be fully consolidated and have been accounted for at fair value. Therefore, the consolidated income statement for 2023 includes the results for the first quarter results of Grupo Disfasa, S.L. ("Facundo"), Miralda Activos, S.L.U. ("Nuadi") and Gesdocument y Gestión, S.A. ("Gesdocument").

The final part of this report includes the Consolidated Financial Statements, audited by KPMG Auditores, S.L., with more detailed information.

CONSOLIDATED BALANCE SHEET

	In Millions of euros		
ASSETS	**As of December 31, 2023**	**As of December 31, 2022**	**As of December 31, 2021**
Real Estate investments..	**301.2**	317.5	334.8
Tangible Fixed Assets..	**1.3**	22.5	31.5
Goodwill	**-**	75.3	79.6
Other intangible assets	**-**	123.7	119.9
Investments in associates companies...................................	**2,717.0**	2,651.7	2,453.3
Financial investments at fair value with changes in P&L....	**1,831.0**	1,364.2	973.3
Other financial fixed assets..	**93.2**	73.2	66.7
Non-current assets...	**4,943.7**	**4,628.1**	**4,059.1**
Non-current assets held for sale	**-**	3.6	134.8
Cash and cash equivalents...	**405.9**	572.3	709.5
Other current assets	**40.0**	119.1	104.7
Current assets...	**445.9**	**695.0**	**949.0**
TOTAL ASSETS...	**5,389.6**	**5,323.1**	**5,008.1**

CONSOLIDATED BALANCE SHEET

In Millions of euros

EQUITY AND LIABILITIES	As of December 31, 2023	As of December 31, 2022	As of December 31, 2021
Share capital..	**60.3**	59.2	58.2
Retained earnings and others	**4,665.7**	4,421.50	4,011.00
Interim dividend...	**-**	-	(29.1)
Minority shareholders...	**60.1**	138.4	164.5
Total net equity...	**4,786.1**	**4,619.1**	**4,204.6**
Financial debt...	**70.0**	161.7	247.2
Provisions and other debt	**30.5**	23.2	14.0
Other liabilities	**25.0**	55.6	61.9
Non-current liabilities..	**125.5**	**240.5**	**323.1**
Financial debt...	**444.5**	389.0	347.4
Other liabilities	**33.5**	74.5	133.0
Current liabilities..	**478.0**	**463.5**	**480.4**
TOTAL NET EQUITY AND LIABILITIES....	**5,389.6**	**5,323.1**	**5,008.1**

BALANCE SHEET

The changes in most of the balance sheet items in Alba's consolidated financial statements are largely due to the exclusion of Facundo, Gesdocument and Nuadi from the scope of consolidation. As mentioned above, these companies were fully consolidated until the date of sale of the private equity management company Artá Capital, SGEIC, S.A.U., and are now accounted for at fair value from the second quarter of the year.

The *Real Estate Investments* account, which includes rental properties, decreased by €16 million in 2023 to €301 million, mainly due to a decrease in the fair value of these properties. This decrease was partially offset by the purchase of several garage spaces and by improvements made to the real estate portfolio. The valuation of the properties is carried out every six months by an independent expert, with the increase or decrease in value being recognized in the income statement under the heading *Change in the fair value of real estate investments*.

The changes in *Goodwill* and *Other intangible assets,* as well as the significant reduction in *Tangible fixed assets,* were due to the exclusion of Facundo, Gesdocument and Nuadi from the scope of consolidation.

Investments in associate companies, increased by €65 million in 2023. This increase is mainly explained by the results contributed of the investees (€161 million), as well as by the changes in their consolidated equity (€15 million), among other elements. Partially offsetting the aforementioned increases, are the impairment recorded on the Ebro Foods shareholding (€45 million) and the dividends distributed by investees (€71 million).

Financial investments at fair value with changes in P&L, increased from €1,364 million to €1,831 million in 2023. This change is mainly due to the acquisitions made during the year for a total amount of €222 million, the increase in the fair value of financial investments for €118 million and the classification under this heading of the short-term investment held by Alba in 2022 in Inmobiliaria Colonial (€80 million), as well as, the investments in Facundo, Gesdocument and Nuadi due to the aforementioned loss of control (€57 million). Among the financial investments made, we would highlight the increase in the shareholding in Inmobiliaria Colonial and Technoprobe, for €77 and €83 million, respectively. At this point, we consider it necessary to recall that, in 2023, this heading includes all the shareholdings in unlisted companies (except for Verisure, Parques Reunidos and Profand, which are included as investments *in associates*) and the shareholdings in other long-term listed companies (Befesa, Technoprobe, Global Dominion and Inmobiliaria Colonial).

Other financial investments increased by €20 million, mainly as a result of the subordinated loan arranged in June 2023 with Profand for the acquisition of a production asset in the United States (€29 million) and, to a lesser extent, the increase in the fair value of the put option held by the Group on its shareholding in the same company, which were partially offset by the collection of receivables from third parties.

As of December 31, 2022, all the assets and liabilities of Artá Capital, SGEIC, S.A.U. and Artá Partners, S.A., which were sold at the end of the first quarter of 2023, as mentioned above, were classified under *Non-current assets held for sale.* As of December 31, 2023, there were no *non-current assets held for sale*.

The balance of *Cash and cash equivalents* decreased from €572 million to €406 million in 2023, mainly due to investments made. As of December 31, 2023, Alba's net cash, calculated as the cash position less short- and long-term financial liabilities, was €16 million, compared with net cash of €110 million at the end of the previous year.

For its part, *Other current assets* decreased by €79 million, mainly due to the aforementioned changes in the scope of consolidation.

Retained earnings and others increased by €244 million, mainly due to the net income for the year (€234 million) and, to a lesser extent, to positive changes in the equity of investee companies (€15 million). These increases were partially offset by the effect of the flexible dividend distributed by Corporación Financiera Alba in the year detailed below, with no interim *dividend* paid during 2023.

In this regard, in relation to the aforementioned flexible dividend, the Shareholders' Meeting of Corporación Financiera Alba, S.A., held on June 19, 2023, approved a capital share increase in the Company to implement the flexible dividend. On July 5, 2023, the trading period for the free-of-charge allocation rights ended, through which the Company proceeded to purchase 6,244,550 free-of-charge allocation rights for an amount of €6 million; this option was accepted by 10.5% of the holders of these rights. The final number of new ordinary shares with a par value of €1 per unit issued in the capital increase was 1,060,012. As a result of the capital increase, the share capital of Corporación Financiera Alba, S.A. at December 31, 2023, amounted to 60,305,186 shares with a par value of €1 each. The new shares of the Company were admitted to trading on the stock exchange on July 19, 2023.

The *Minority shareholders* item decreased from €138 million to €60 million during the year, mainly because of the deconsolidation of Facundo, Gesdocument and Nuadi.

As a result of the above, *Net Equity*, including *Minority shareholders,* increased by 3.6% during the year to €4,786 million.

Non-current liabilities include financial debt with a maturity of more than one year amounted of €70 million, which was reduced by €92 million during the year due to the deconsolidation of Facundo, Gesdocument and Nuadi (€82 million) and the transfer to short term of loans maturing in 2024 (€10 million). Other non-current liabilities decreased mainly due to changes in the scope of consolidation.

Current liabilities, which include both bank loans with maturities of less than one year and other short-term debt, increased from €463 million at the end of 2022 to €478 million at the end of 2023. This change is mainly explained by the higher bank debt due to the investments made, which was partially offset, once again, by the exclusion of the liabilities of Facundo, Gesdocument and Nuadi from the scope of consolidation.

CONSOLIDATED INCOME STATEMENT[1]

In Millions of euros

	2023	2022	2021
Share of net results of associate companies	**160.8**	231.4	245.0
Revenue and other income	**53.1**	166.9	235.9
Changes in the fair value of real estate investments	**(19.4)**	1.1	(0.8)
Financial income	**77.5**	21.5	17.6
Impairment of assets and change in fair value of financial instruments	**82.9**	173.4	66.1
Result from asset sales	**2.5**	47.5	1.0
Total	**357.4**	**641.8**	**564.8**
Procurement	**(16.2)**	(61.9)	(66.0)
Operating expenses	**(84.6)**	(110.3)	(138.0)
Financial expenses	**(13.2)**	(6.3)	(5.4)
Depreciation	**(4.2)**	(18.1)	(29.2)
Corporate income tax	**(7.1)**	(0.6)	(13.1)
Minority shareholders	**1.9**	(8.2)	(10.4)
Total	**(123.4)**	**(205.4)**	**(262.1)**
NET INCOME	**234.0**	**436.4**	**302.7**
Net income per share (euros)	**3.88**	**7.37**	**5.20**

Note 1: This Income Statement is presented grouped according to management criteria, which explains the differences between certain chapters and the data included in the Consolidated Financial Statements.

INCOME STATEMENT

Alba's *net income* amounted to €234 million in 2023, 46.4% lower than the previous year's result. *Net income per share* decreased from €7.37 in 2022 to €3.88 in 2023.

Income under *Share of net results of associate companies* decreased by 30.5%, from €231 million in the previous year to €161 million in 2023. This decrease is mainly due to the lower results contributed by Acerinox and Parques Reunidos, which were partially offset by the greater contribution to the result of the shareholdings in Naturgy and Ebro Foods.

Revenue and other income decreased by €114 million to €53 million in the year, mainly due to changes in the scope of consolidation of fully consolidated shareholdings. As mentioned above, only three months of the sales of Gesdocument, Facundo and Nuadi were included in 2023, whereas in 2022, six months of the sales of Facundo and Gesdocument, three months of Preving and Satlink and the entire revenue of Nuadi were included. This item also includes income from Alba's real estate investments, which increased by 16.3% in 2023, to €15 million, because of the higher occupancy level of the properties and the increase in the average rent, with the leasable area remaining unchanged compared to 2022. In this sense, as of December 31 of both years, the gross leasable area amounted to 42,420 square meters, with an occupancy rate of 97.7% as of December 2023, compared to 88.4% at the end of 2022.

According to the assessment report performed by an independent expert, the estimated value of the real estate assets decreased by €19 million in 2023, this amount being included in the item *Changes in the fair value of real estate investments.* As of December 31, 2023, the fair value of real estate investments amounted to €301 million.

Financial income amounted to €78 million in 2023, compared with €22 million in the previous year, due to higher interest and dividends received.

The heading *Impairment of assets and changes in the fair value of financial instruments* showed a positive result of €83 million in the year, due to the increase in the valuation of *Financial investments at fair value with changes in P&L (*€120 million) and, to a much lesser extent, to other non-current assets included under the heading *Other financial investments* and the reversal of the impairment made in 2022 on the Profand shareholding. This was partially offset by the impairment recorded on the Ebro Foods shareholding (€45 million).

The results from asset sales includes income of €3 million in 2023 corresponding to the capital gains obtained on the sale of the private equity management company Artá Capital, SGEIC, S.A.U., compared to the €48 million obtained in 2022 from the capital gains recorded, among others, on the sale of Satlink, the entire shareholdings in Indra Sistemas and a building in Madrid.

Procurements and *Operating expenses* decreased in 2023 to €16 million and €85 million, respectively, 73.8% and 23.3% less than in the previous year due to the changes in the scope of consolidation mentioned under the heading of *Revenue and other income.*

Financial expenses increased by €7 million in the year to €13 million due to the increase in interest rates in 2023.

Changes in the scope of consolidation of our fully consolidated investees explain the variation in the *Minority shareholders* item in the consolidated income statement for the year.

Corporate income tax amounted to an expense of €7 million in 2023, compared with €1 million in the previous year.

INFORMATION ON INVESTEE COMPANIES

NATURGY

Company description

Naturgy is an integrated multinational energy company, with a presence in the gas and electricity sector. It operates in 20 countries, with a strong presence in Spain and Latin America. It is the third largest electricity company in Spain and the largest Liquefied Natural Gas (LNG) operator in the Atlantic basin.

Naturgy is present in both regulated and non-regulated businesses and is active in gas and electricity distribution, infrastructure, gas supply and transportation, and electricity generation, both conventional and from renewable energies.

Company's main activity during 2023

The energy market was marked in 2023 by the normalization of prices, after their increase due to the energy crisis experienced in the previous year due to the conflict in Ukraine.

Most significant data (In millions of euros unless otherwise stated)	**2023**	2022	2021
Net sales	**22,617**	33,965	22,140
EBITDA	**5,475**	4,954	3,529
EBIT	**3,470**	3,083	2,101
Net income (loss)	**1,986**	1,649	1,214
Total assets	**37,893**	40,390	38,249
Net financial debt	**12,090**	12,070	12,831
Net equity	**11,929**	9,979	8,873
Employees (31-dec.)	**7,010**	7,112	7,366
Share price (closing 31-dec.) (in euros per share)	**27.00**	24.31	28.63
Market capitalisation (closing 31-dec.)	**26,180**	23,571	27,760
Gross dividend yield (over last price)	**5.19%**	4.90%	4.60%

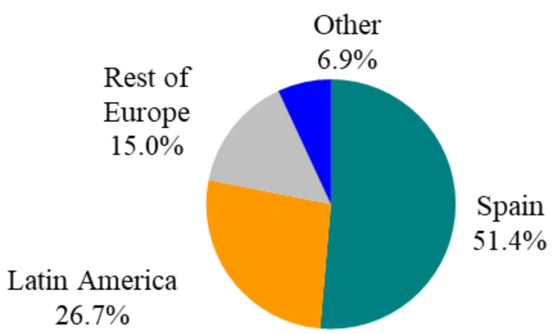
Net sales amounted to €22,617 million in 2023, 33.4% less than the previous year, due to the aforementioned normalization of energy prices.

Consolidated EBITDA reached €5,475 million, 10.5% increase in 2022, mainly supported by the good performance of international activities, both liberalized and regulated.

The competent performance of the non-regulated business was mainly supported by the Energy Management and Commercialization and Renewable Generation businesses, thanks to the increase in installed capacity and production in Spain and Mexico.

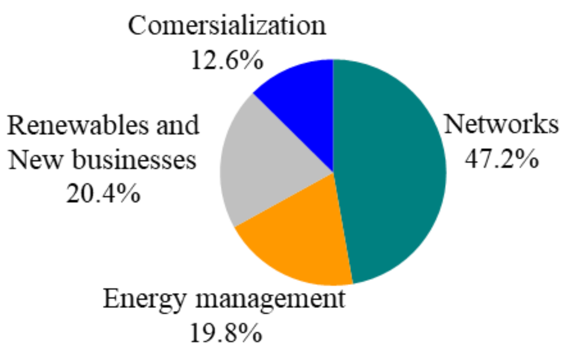
The regulated business benefited from improved operating performance and tariff updates in Latin America, which offset the negative impact of the exchange rate and the poorer performance of the Networks business in Spain, marked by lower gas demand for the SME / commercial segments and lower remuneration for regulated gas and electricity activities following the 2020 tariff review.

Sales by geography



Total 2023: €22,617 million

EBITDA by division



Total 2023: €5,475 million

Naturgy obtained a net income of €1,986 million in 2023, compared to €1,649 million the previous year, thanks to the increase in operating results and the positive evolution of the financial result due to the reduction in average debt achieved in the period and despite the rise in interest rates.

At December 31, 2023, the Company's net financial debt was €12.090 million, in line with the previous year, representing a ratio of 2.2 times EBITDA, compared with 2.4 times at December 31, 2022, supported by a solid cash generation despite the investment effort and dividend payments.

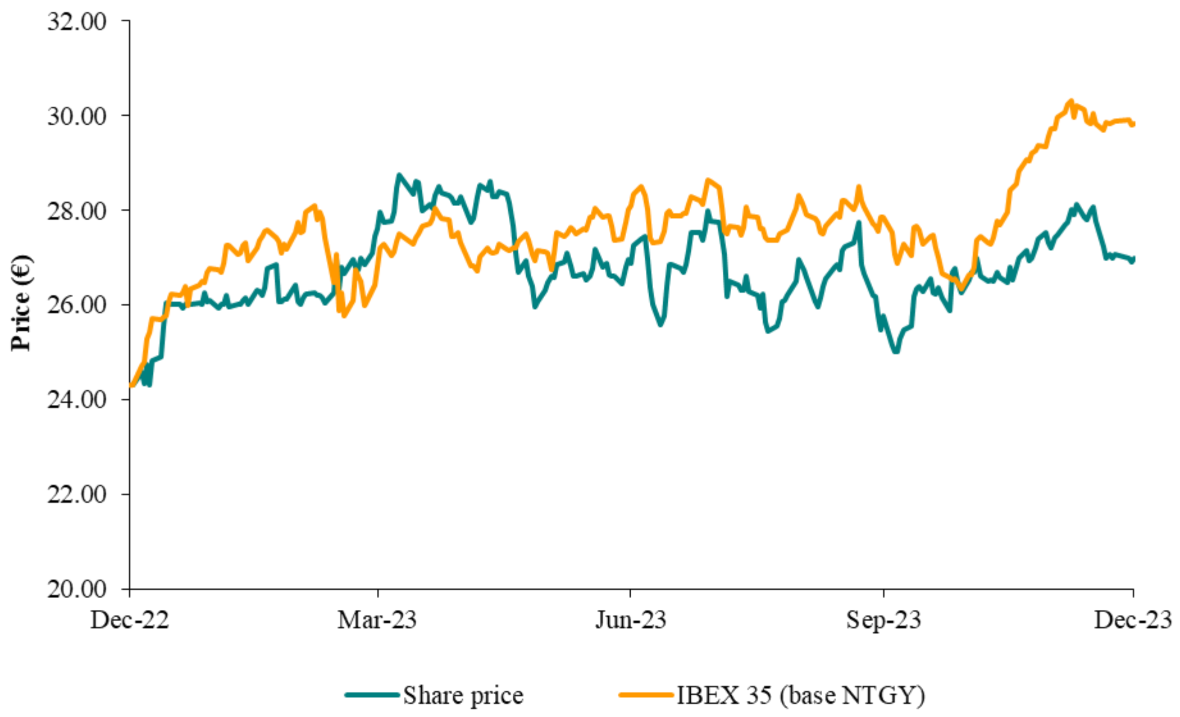
Alba's shareholding

At 31 December 2023, Alba held a total direct and indirect interest of 5.44% of Naturgy's share capital.

Stock market performance

In 2023, the Company's share price increased by 11.1% to €27.00 per share, in a year in which the Ibex-35 rose by 22.8%. At December 31, 2023, Naturgy's market capitalization amounted to €26.180 million.

Naturgy's stock market performance in 2023



Source: Bloomberg.

www.naturgy.com

ACERINOX

Company description

Acerinox is one of the world's leading stainless steel manufacturers and a world leader in the production of specialty alloys through VDM Metals ("VDM").

The Company has four stainless steel flat products plants (Spain, United States, Malaysia and South Africa), three stainless steel long products plants (two in Spain and one in the United States) and seven special alloy plants (five in Germany and two in the United States) and sells its products in 79 countries on five continents.

On February 5, 2024, Acerinox announced an agreement to acquire 100% of the North American specialty alloys producer Haynes International for $798 million. The acquisition is expected to be completed in the second half of this fiscal year.

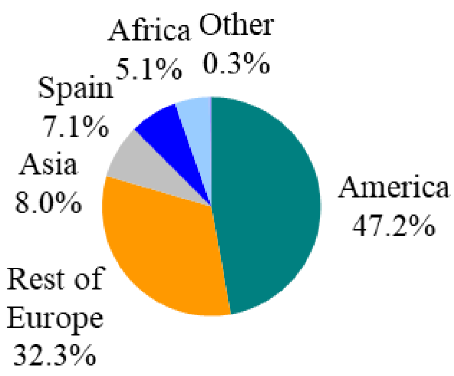
Company's main activity during 2023

Acerinox's business in 2023 was marked by the significant reduction of inventories at sector level. This reduction, which started at the end of last year, mainly affected the demand and prices of stainless steel, and was partially offset by the good performance of the special alloys sector, where Acerinox recorded an all-time record in results as in the previous year.

Most significant data (In millions of euros unless otherwise stated)	**2023**	2022	2021
Sales	**6,608**	8,688	6,706
EBITDA	**703**	1,276	989
EBIT	**374**	876	810
Net income (loss)	**228**	556	572
Total assets	**6,099**	6,318	5,984
Net financial debt	**341**	440	578
Net equity	**2,463**	2,548	2,215
Employees (31-dec.)	**8,229**	8,201	8,206
Share price (closing 31-dec.) (in euros per share)	**10.66**	9.24	11.39
Market capitalisation (closing 31-dec.)	**2,657**	2,400	3,080
Gross dividend yield (over last price)	**5.63%**	5.40%	4.40%

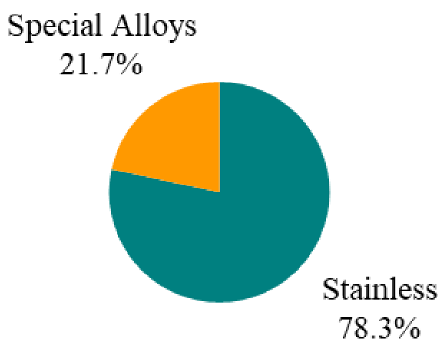
Acerinox sales decreased by 23.9% in 2023 to €6,608 million, after a record year in 2022, with a large difference in the evolution of its two main divisions as we have already indicated. Thus, while **Stainless Steel** sales were affected by the aforementioned inventory adjustment and showed a 30.0% drop year-on-year to €5,195 million, revenues from the **Specialty Alloys** segment increased by 13.9% year-on-year, mainly due to the positive evolution of the demand in the oil and gas and chemical sectors.

Sales by geography



Total 2023: €6,608 million

Sales by business



Total 2023: €6,608 million

Group EBITDA fell by 44.9% in 2023 to €703 million, with a margin over sales of 10.6%.

In 2023, the Company reported a net profit of €228 million, 59.0% lower than last year due to the reduction in operating results and the impairment recorded in the book value of the subsidiary Bahru Stainless (Malaysia) amounting to €156 million.

At December 31, 2023, Acerinox had equity of €2,463 million and net debt of €341 million (0.5 times EBITDA), compared to net debt of €440 million the previous year.

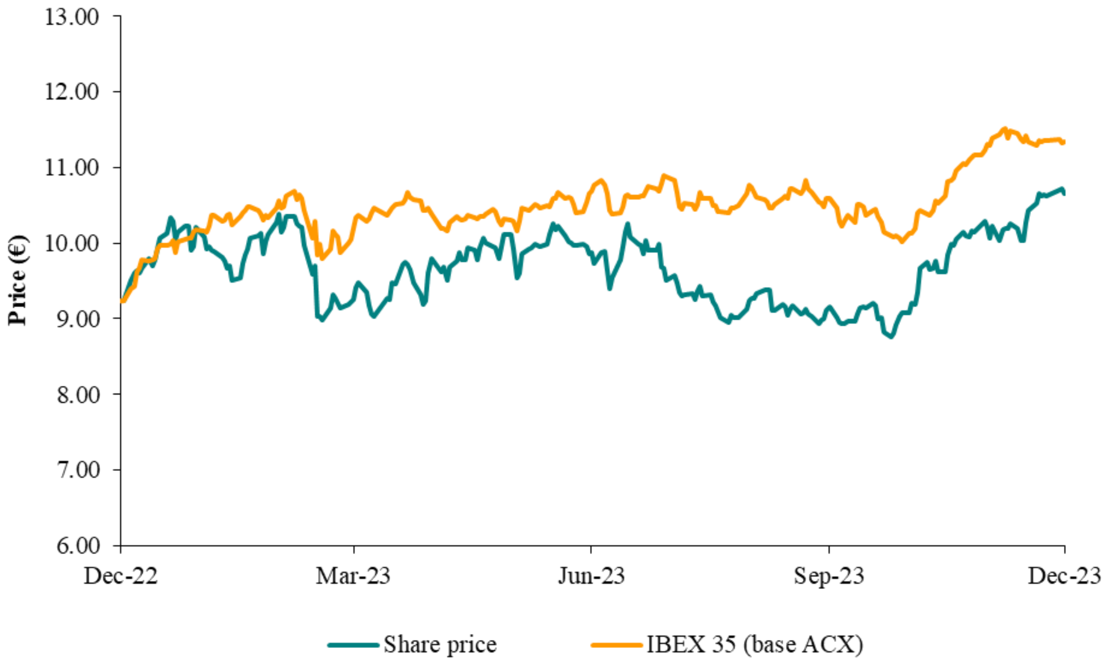
Alba's shareholding

At 31 December 2023, Alba was Acerinox's largest shareholder, with a 19.29% interest in its share capital. During the year the shareholding increased slightly, by 0.77%, as a result of the redemption of treasury stock carried out by the Company.

Stock market performance

Acerinox's share price closed 2023 at €10.66 per share, which represented an increase of 15.3% in the year, in a year in which the Ibex-35 increased by 22.8%. Its market capitalization amounted to €2,657 million at the end of the year.

Acerinox stock market performance in 2023



Source: Bloomberg.

www.acerinox.com

CIE AUTOMOTIVE

Company description

CIE Automotive is a global automotive supplier. As a TIER 2 supplier, it focuses on the design, production and distribution of components and sub-assemblies for the global automotive market.

At the end of 2023, the Company had more than 25,000 employees in 108 production sites and 10 R&D centers in 17 countries in the Americas (Mexico, USA and Brazil), Europe (Spain, Portugal, France, Germany, Italy, Czech Republic, Romania, Lithuania, Russia, Slovakia and Hungary), Asia (India and China) and Africa (Morocco).

CIE Automotive offers its customers more than 7,000 product references, adapting to their needs through a wide range of technologies, such as aluminum injection, metal stamping and tube forming, iron casting, machining, plastic, forging and roof systems.

Company's main activity during 2023

In 2023, CIE Automotive registered record results, supported by a generalized improvement in margins, which offset the significant increase in financial costs due to the rise in interest rates.

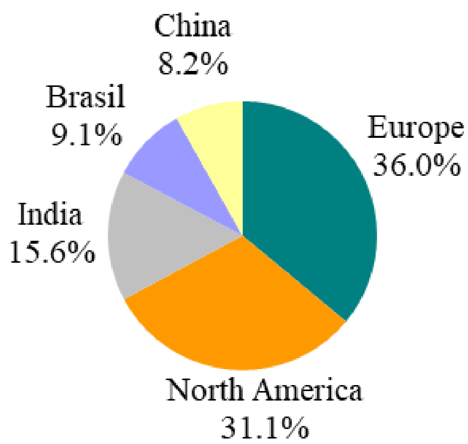
Adjusting sales for exchange rate movements and the *pass-through effect* of changes in raw material prices to customers, in 2023 CIE Automotive recorded growth in excess of the increase in vehicle production in the Brazilian, Indian and North American markets, while sales in Europe grew in line with the market and only China underperformed the market, CIE Automotive's sales in China fell sharply despite the increase in local vehicle production, as a result of the continuing trend of growth in demand from local manufacturers to the detriment of international manufacturers, which are the Company's main customers in the country.

Most significant data (In millions of euros unless otherwise stated)	**2023**	2022	2021(1)
Sales	**3,959**	3,839	3,093
EBITDA	**713**	633	565
EBIT	**528**	447	402
Net income (loss)	**320**	300	268
Total assets	**5,669**	5,643	5,398
Net financial debt	**1,135**	1,290	1,395
Net equity	**1,661**	1,505	1,368
Employees (31-dec.)	**25,294**	24,986	24,472
Share price (closing 31-dec.) (in euros per share)	**25.72**	24.06	27.36
Market capitalisation (closing 31-dec.)	**3,081**	2,949	3,353
Gross dividend yield (over last price)	**3.23%**	3.00%	1.80%

Note 1: 2021 results have been restated to reflect the reclassification of all companies in the German forging business as held for sale.

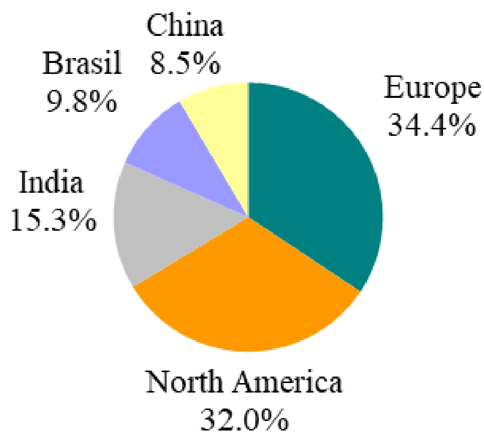
The Company's sales increased in 2023 to €3,959 million, 3.1% more than in 2022 (+6% excluding the effect of exchange rate variations).

Sales by geography



Total 2023: €3,959 million

EBITDA by geography



Total 2023: €713 million

EBITDA and EBIT increased by 12.6% and 18.1%, respectively, to €713 million and €528 million, representing margins of 18.0% and 13.3%, higher than those recorded in the previous year. Finally, despite the increase in financial costs due to higher interest rates, net income rose by 6.7% year-on-year to €320 million.

The Company's net financial debt decreased by €155 million to €1,135 million, thanks to good operating cash generation. The net debt to EBITDA ratio fell to 1.6 times at the end of 2023 (compared with 2.0 times at the end of 2022).

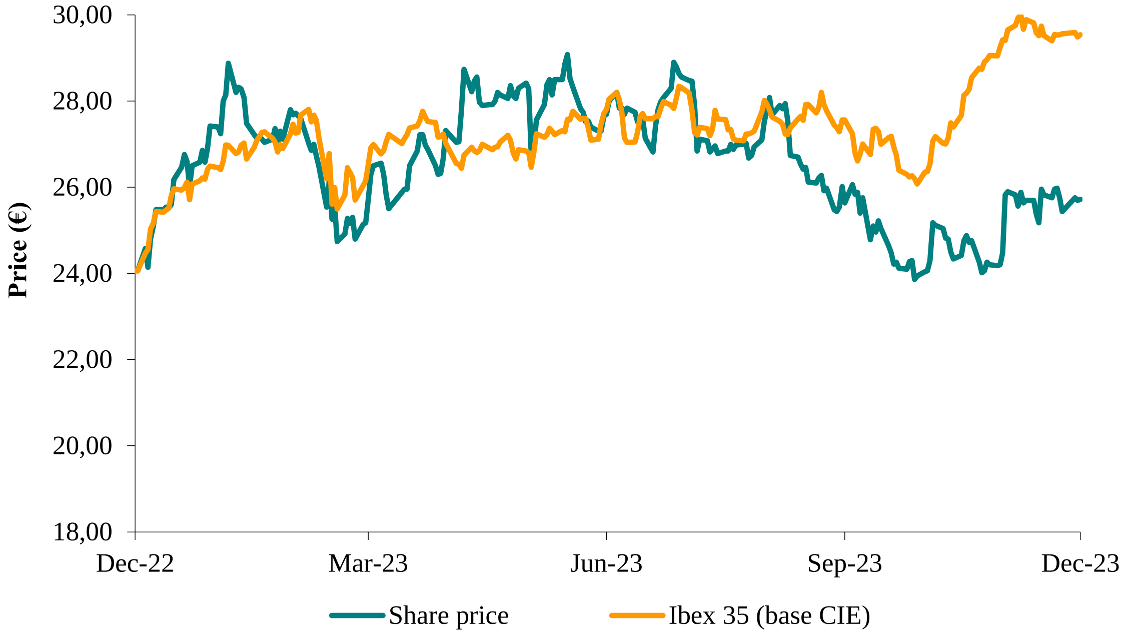
Alba's shareholding

In 2023 Alba increased its stake in CIE Automotive by 0.31%, as a result of the amortization of treasury shares by the Company during the year, reaching a stake of 13.66% at year-end and remaining the Company's second largest shareholder.

Stock market performance

During 2023, CIE Automotive's share price increased by 6.9% to €25.72 per share, a lower performance than that of the Ibex-35, which rose by 22.8%. At December 31, CIE Automotive's market capitalization was €3,081 million.

CIE Automotive's stock market performance in 2023



Source: Bloomberg.

www.cieautomotive.com

VISCOFAN

Company description

Viscofan is the global leader in casings for meat products, with presence in all divisions - cellulosic, collagen, fibrous and plastic - and in related businesses, such as the development of different medical applications of collagen.

The Company's revenues are broadly diversified, with customers in 113 countries around the world and an estimated 22% share of the total casing and casing market.

Viscofan has an extensive network of casing production sites in Europe (Spain, Germany, Belgium, Czech Republic and Serbia), North America (United States, Canada and Mexico), Latin America (Brazil and Uruguay), Asia (China and, soon, Thailand) and Oceania (Australia).

Company's main activity during 2023

The 2023 financial year was marked by a decline in demand in the casing market for the first time in more than 20 years, in a high-cost environment that began in 2022. In this adverse context, Viscofan achieved the highest results in its history, although below the targets communicated to the market at the beginning of the year.

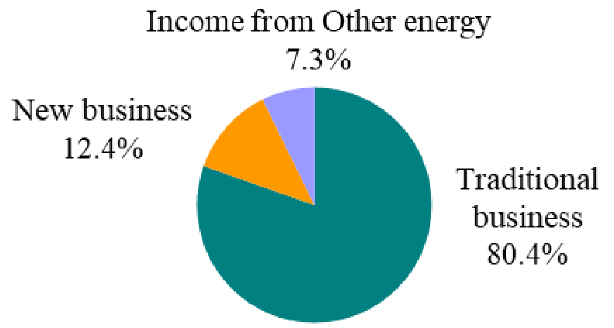
Investments during the year include the start of construction of a new pleating plant in Thailand, which is expected to start operations before the end of 2024, and the investments made in decarbonization and energy diversification at the Cáseda plant (Navarra).

Most significant data (In millions of euros unless otherwise stated)	**2023**	2022	2021
Sales	**1,226**	1,201	969
EBITDA	**268**	267	247
EBIT	**185**	189	174
Net income (loss)	**141**	139	133
Total assets	**1,408**	1,347	1,169
Net financial debt	**181**	142	38
Net equity	**958**	907	823
Employees (31-dec.)	**5,332**	5,510	5,182
Share price (closing 31-dec.) (in euros per share)	**53.60**	60.2	56.9
Market capitalisation (closing 31-dec.)	**2,492**	2,799	2,646
Gross dividend yield (over last price)	**3.62%**	3.00%	3.00%

Viscofan's sales grew by 2.1% in 2023 to €1,226 million, mainly due to an improved price mix and despite lower volumes. Excluding the impact of currency fluctuations, sales would have increased by 4.2% compared to 2022.

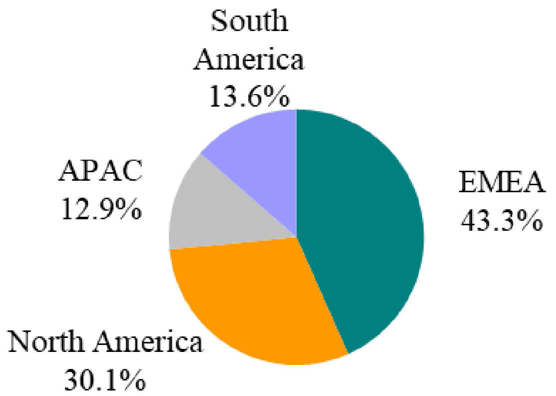
By activity, sales of the **Traditional Business** showed growth of 2.3% over the previous year, reaching €985 million due to the aforementioned factors. Revenues from the **New Businesses** division increased by 4.9% compared to 2022, to €152 million. Finally, revenues in the **Other Energy Revenues** segment were 4.8% lower than in the previous year, at €89 million, due to the normalization of electricity prices in the Spanish market following a 2022 that saw an exceptional increase in prices.

Sales by activity



Total 2023: €1,226 million

Sales by geography



Total 2023: €1,226 million

EBITDA increased by 0.5% in 2023 to €268 million, with a margin on sales of 21.9% (compared to 22.2% in 2022), supported by the evolution of revenues and cost control, which offset the lower result obtained in the cogeneration activity and the negative impact of exchange rate variations against the euro. Excluding the impact of currency variations, EBITDA would have increased by 7.9% compared to 2022.

Net income increased to €141 million, 1.1% higher than in 2022, thanks to EBITDA growth and lower tax expenses, which offset higher depreciation and amortization, higher financial expenses and the higher negative impact of exchange rates.

Net bank debt, excluding IFRS 16 and other net financial liabilities, increased to €138 million in December 2023, compared with €101 million at the end of the previous year, reflecting the Company's investment effort, the increase in working capital requirements and the dividend payments made. Reported net financial debt, including IFRS 16, was €181 million at year-end (representing a leverage ratio of 0.7 times).

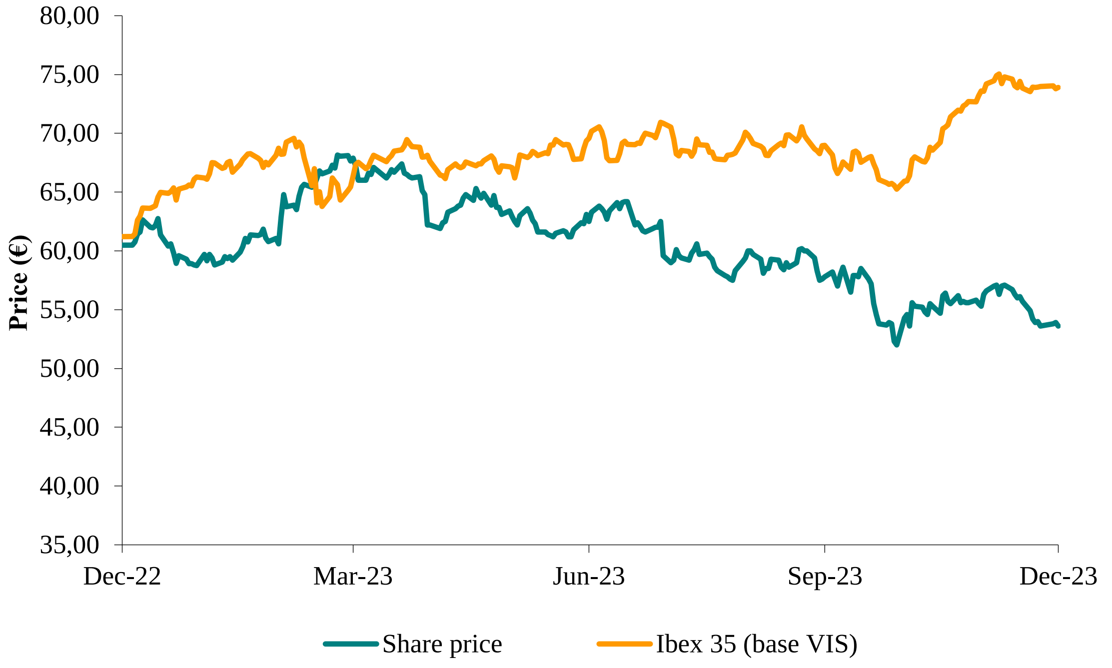
Alba's shareholding

During the year, Alba's stake in Viscofan's share capital remained unchanged, maintaining a 14.25% interest at 31 December 2023 and continuing to be the Company's largest shareholder.

Stock market performance

Viscofan's share price fell by 11.0% in 2023 to €53.60 per share, representing a market capitalization of €2,492 million at the end of the year.

Viscofan's stock market performance in 2023



Source: Bloomberg.

www.viscofan.com

EBRO FOODS

Company description

Ebro Foods is the Spanish leading multinational food company, a world leader in the rice sector, with a significant presence in fresh pasta and, to a lesser extent, in *premium* dry pasta. Through an extensive network of subsidiaries and brands, it has a commercial or industrial presence in more than 70 countries in Europe, North America, Asia and Africa.

As of December 2023, Ebro Foods' main markets are the United States, France and the United Kingdom, while Spain accounts for 5.1% of total sales.

In recent years, the Company has maintained a policy of complementing its investment effort in organic growth with selective acquisitions that have allowed it to enter new markets and/or strengthen its presence in certain products and segments, while divesting non-strategic businesses or those with less development potential.

Company's main activity during 2023

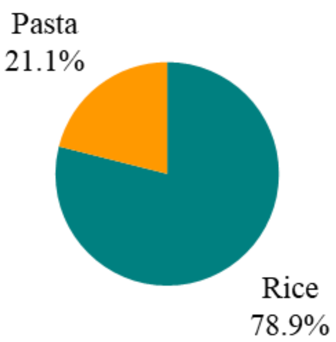
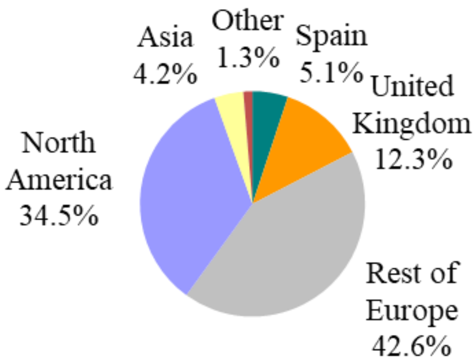
In 2023, Ebro Foods achieved record results (excluding the exceptional 2020 financial year) supported by the containment of cost inflation, successful management of sourcing and raw material inventories and growth in higher value products (convenience products, ready meals and *premium* segments). In an inflationary context, with greater pressure on consumers' disposable income, Ebro Foods has managed to maintain or increase its market share in 2023 in the main markets and categories in which it operates.

Most significant data (In millions of euros unless otherwise stated)	**2023**	2022	2021[(1)]
Sales……...	**3,084**	2,968	2,427
EBITDA...	**387**	335	302
EBIT...	**284**	234	207
Net income (loss) of continuing operations[(2)]..........	**205**	122	145
Total assets...	**3,872**	3,900	3,939
Net financial debt[(3)]..	**570**	763	505
Net equity..	**2,222**	2,198	2,133
Employees (31-dec.) ….……………………….……………	**6,135**	6,141	6,515
Share price (closing 31-dec.) (in euros per share)………	**15.52**	14.66	16.88
Market capitalisation (closing 31-dec.)………..…………	**2,388**	2,256	2,597
Gross dividend yield (over last price)[(4)]....................	**3.67%**	3.90%	6.80%

Note 1: 2021 results have been restated to reflect the sales of the dry pulp business. Net income corresponds only to income from continuing operations.
Note 2: The net income attributable to the parent company for 2021, 2022 and 2023 amounts to €239, €122 and €187 million respectively.
Note 3: Net debt includes adjustments for IFRS 16 and put options with minority interests.
Note 4: The gross dividend yield for 2021 includes the extraordinary dividend paid in December 2021 (€0.57 per share).

The Company's sales increased in 2023 to €3,084 million, 3.9% higher than in 2022, driven by solid growth in the Rice division. Likewise, EBITDA and EBIT increased by 15.7% and 21.7%, respectively, to €387 million and €284 million, representing margins of 12.6% and 9.2%, significantly higher than in 2022 thanks to stabilizing raw material costs and lower transportation and energy costs. Net income attributable to the parent company totaled €187 million, an increase of 53.2% compared with 2022, a year whose result was affected by the losses on the sale of Roland Monterrat.

By business area, there was a positive performance in both Rice and Pasta, with solid EBITDA growth and a notable recovery in Pasta. Sales and EBITDA in the **Rice** division increased by 4.9% and 7.3%, to 2,444 and €311 million, respectively, supported by the increase in capacity in ready-to-eat products, thanks to the investments made and the aforementioned progressive migration to higher value-added products. On the other hand, sales in the **Pasta** division remained in line with the previous year, being 0.1% higher at €652 million. However, the EBITDA of this division increased by 54.6% to €90 million, with a strong performance both in fresh pasta, especially in France, and significantly driven by the growth in gnocchi, and in *premium* dry pasta (Garofalo), highlighting the increase in volumes, in a highly competitive environment, and the improvement in profitability following the containment of energy costs and the consolidation of price increases.

Sales by activity[1]	**EBITDA by geography**
	
Total 2023: €3,084 million	**Total 2023: €387 million**

Note 1: Breakdown of sales by activity before intra-group eliminations.

The Company's net debt decreased by €193 million in 2023 to €570 million (-25.2%), thanks to good operating results and lower working capital requirements (+€164 million vs. -€244 million in 2022). The net debt to EBITDA ratio was significantly reduced to 1.5x at the end of 2023 (2.3x at the end of 2022).

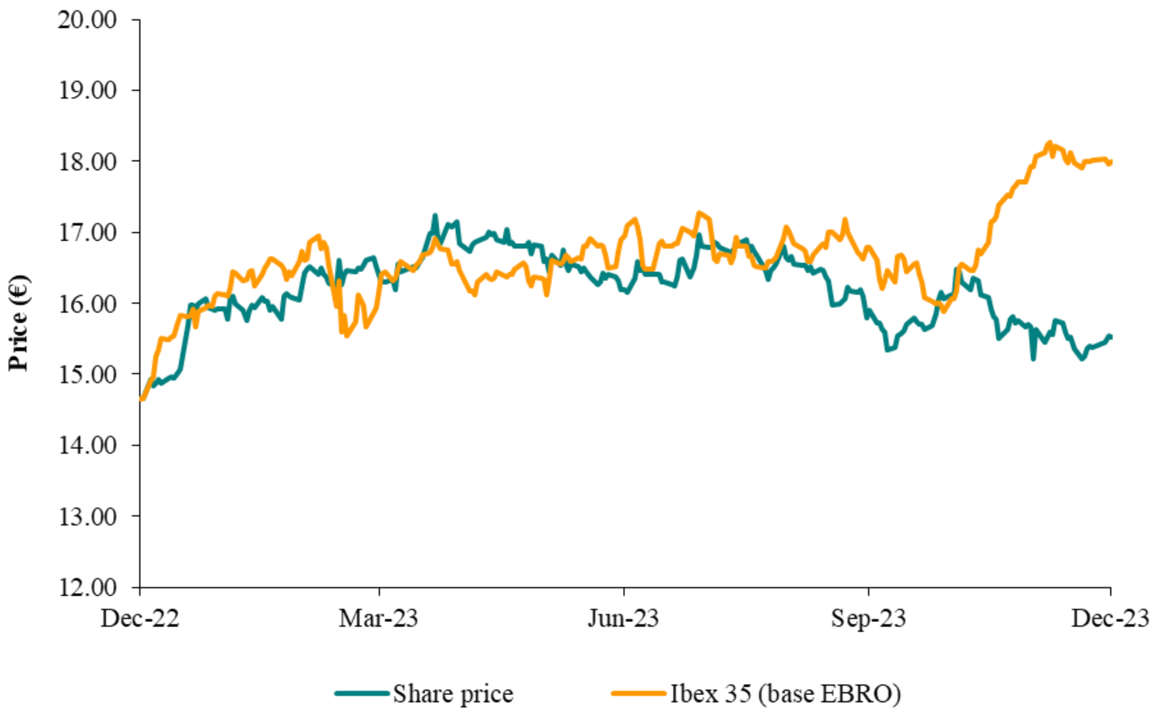
Alba's shareholding

During the year, Alba's interest in the share capital of Ebro Foods remained unchanged, maintaining a 14.52% stake and remaining the Company's second largest shareholder.

Stock market performance

During 2023, the Ebro Foods share price increased by 5.9% to €15.52 per share, a lower increase than that of the Ibex-35, which increased by 22.8%. At December 31, the market capitalization of Ebro Foods was €2,388 million.

Stock market performance of Ebro Foods in 2023



Source: Bloomberg.

www.ebrofoods.es

TECHNOPROBE

Company description

Technoprobe is the leading global supplier of *probe cards* for non-memory chips, complex electromechanical interfaces that allow the testing of microchips during the production process of integrated circuits.

The Company has a strong global presence, including 5 manufacturing plants (3 in Italy and 2 in the USA), 6 assembly plants and commercial presence in 10 countries in Europe, Asia and North America, employing over 2,700 people. In addition, the Company has 5 R&D centers located in Italy, Taiwan and the USA and more than 600 patents.

On November 8, 2023, Technoprobe and Teradyne, a leading provider of automated testing solutions, announced a binding agreement whereby Technoprobe will acquire the Device Interface Solutions division from Teradyne for $85 million. In turn, Teradyne would acquire a 10% stake in Technoprobe, for $385M in cash, by (i) subscribing for newly issued shares equivalent to an 8% stake (post transaction) and (ii) acquiring shares equivalent to 2% (post transaction) of the stake from the Crippa family, founders of the business. The transaction is expected to close in the first half of 2024.

Company's main activity during 2023

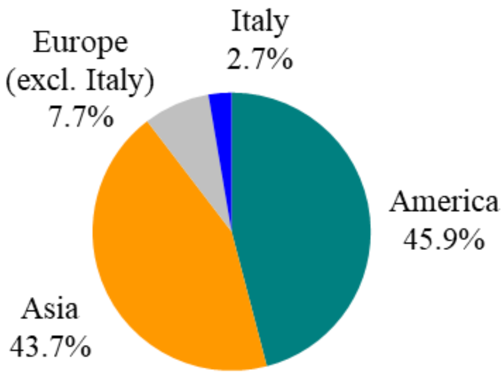
In 2023, Technoprobe recorded worse results than in 2022 due to weaker demand in the consumer market, especially in Asia, and a certain slowdown in the automotive and industrial market, which started to become apparent in the last quarter of the fiscal year. However, the demand outlook for 2024 and beyond is positive, supported by the expected strong development of segments and customers related to generative artificial intelligence and by a recovery in consumer electronics.

Most significant data (In millions of euros unless otherwise stated)	**2023**	2022	2021
Net sales…..	**409**	549	392
EBITDA...	**123**	245	175
EBIT...	**80**	208	150
Net income (loss)..	**97**	148	119
Total assets...	**928**	867	537
Net cash...	**351**	403	135
Net equity...	**817**	737	446
Employees (31-dec.) …..………………………..……………	**2,746**	2,120	1,536
Share price (closing 31-dec.) (in euros per share)………	**8.65**	6.7	n.a.
Market capitalisation (closing 31-dec.)………..…………	**5,196**	4,027	n.a.
Gross dividend yield (over last price)…….....................	**0.00%**	0.00%	n.a.

Consolidated sales amounted to €409 million in 2023, 25.4% lower than in the previous year, adversely affected by the volume contraction in the aforementioned consumer market. By geography, sales increased in all regions except Asia, one of its main markets: growth in the other regions (+22.5% in the USA, +9.9% in Europe excluding Italy and +11.5% in Italy) could not offset the sharp drop in sales in the Asian region (-49.9%), penalizing the Group's total sales performance for the year.

Consolidated EBITDA reached €123 million, 50.0% below 2022. The margin on sales was 30.0%, also lower than the previous year, mainly due to costs related to the development of new production lines in Italy.

Sales by geography



Total 2023: €409 million

In 2023, the Company reported a net income of €97 million, 34.2% lower than in the previous year.

At December 31, 2023, the Company's consolidated net cash decreased to €351 million (2.8 times EBITDA), compared with net cash of €403 million the previous year.

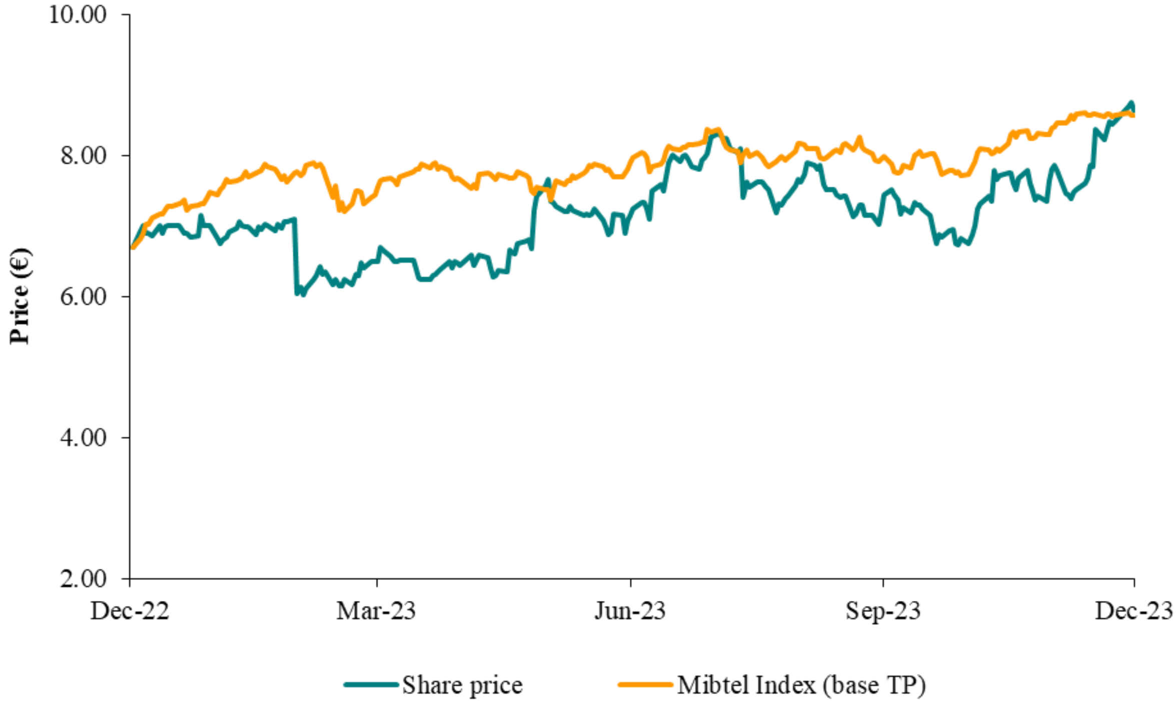
Alba's shareholding

During the year, Alba increased its stake in the capital stock of Technoprobe by an additional 1.97%, reaching a stake of 5.23% as of December 31, 2023.

Stock market performance

During 2023, Technoprobe's share price rose by 29.0% to €8.65 per share, a performance in line with the Mibtel, the Italian Stock Exchange's benchmark index, which appreciated by 28.0%. At December 31, Technoprobe's market capitalization was €5,196 million.

Technoprobe's stock market performance in 2023



Source: Bloomberg.

www.technoprobe.com

INMOBILIARIA COLONIAL

Company description

Inmobiliaria Colonial (Colonial) is a Spanish REIT focused on the operation and development of buildings for rent, mainly offices, which represent 97% of the value of its portfolio. The remaining 3% is distributed among commercial, logistics and other assets.

The Company owns a diversified and solid portfolio of high-quality assets, strategically located in *prime* areas and in the central business *district* ("*CBD*") of Paris, Madrid and Barcelona. Its presence in Paris is carried out indirectly through SFL, a French company in which Colonial owns 98.3%.

Colonial's total portfolio amounts to approximately 1.6 million square meters of leasable area and has high quality tenants, stable rents generally linked to inflation and total occupancy of over 97.1% by the end of 2023.

Company's main activity during 2023

In 2023, Colonial recorded good operating results but a drop in the value of the portfolio due to rising interest rates.

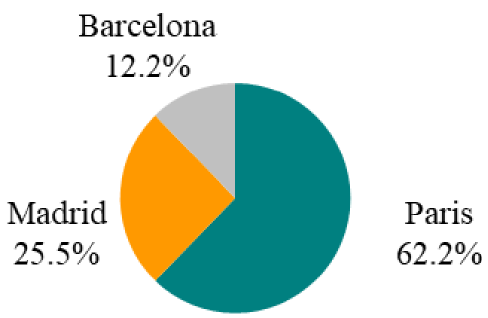
Most significant data (In millions of euros unless otherwise stated)	**2023**	2022	2021
Sales……..	**377**	354	314
EBITDA...	**316**	283	249
EBIT...	**303**	274	240
Adjusted net income (loss)[1]...	**172**	161	128
Total assets...	**11,835**	13,470	12,728
Net financial debt..	**4,864**	5,355	4,716
Net equity...	**5,947**	7,343	7,184
Employees (31-dec.) ….…………………….……………	**241**	243	225
Share price (closing 31-dec.) (in euros per share)………	**6.55**	6.01	8.25
Market capitalisation (closing 31-dec.)………..…………	**3,534**	3,243	4,452
Gross dividend yield (over last price)…….....................	**3.82%**	3.99%	2.67%

Note 1: Adjusted net income excludes the impact of the change in value of the portfolio.

377 million in 2023, 6.5% higher than the previous year (+8.1% like-for-like), supported by an improvement in occupancy (97.1% at year-end compared with 96.0% the previous year) and increases in average rents, both in renewals and new contracts, and by the indexation to inflation of existing contracts. Consolidated EBITDA amounted to €316 million, 11.7% higher than in 2022.

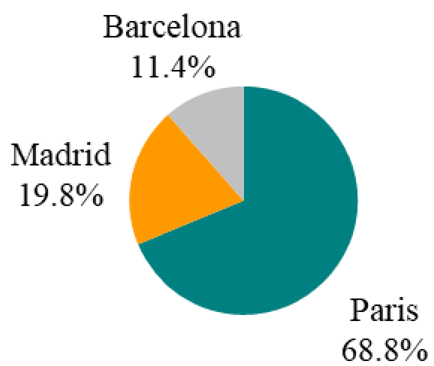
By geography, revenues in **Paris** increased 8% like-for-like, recording full occupancy and rent growth of 12% on renewals and 6% for inflation. Revenues in **Madrid** increased 9% like-for-like, increasing occupancy to 96.2% (vs. 95.5% in 2022) and recording a 4% increase in rents due to inflation adjustment and no growth in renovation rents. Finally, revenues in **Barcelona** increased by 3% on a like-for-like basis, thanks to higher occupancy (83.9% vs. 80.0% in 2022) and a 4% increase in rents due to inflation adjustment, with no rent growth in renewals.

Rental income by geography



Total 2023: €377 million

GAV by geography



Total 2023: €11,336 million

In 2023, the Company reported an adjusted net income of €172 million, 6.8% higher than in the previous year.

At December 31, 2023, the Company's consolidated net debt decreased to €4,864 million (a *loan-to-value* ratio of 39.5%), compared with net debt of €5,355 million the previous year (38.7% *loan-to-value*).

This debt ratio increased slightly during the year as a result of the lower valuation of the real estate portfolio due to higher interest rates. Thus, the value of assets (GAV) fell by

12.8% in the year to €11,336 million at December 31. Excluding asset sales made during the year, this reduction would be 9.3%.

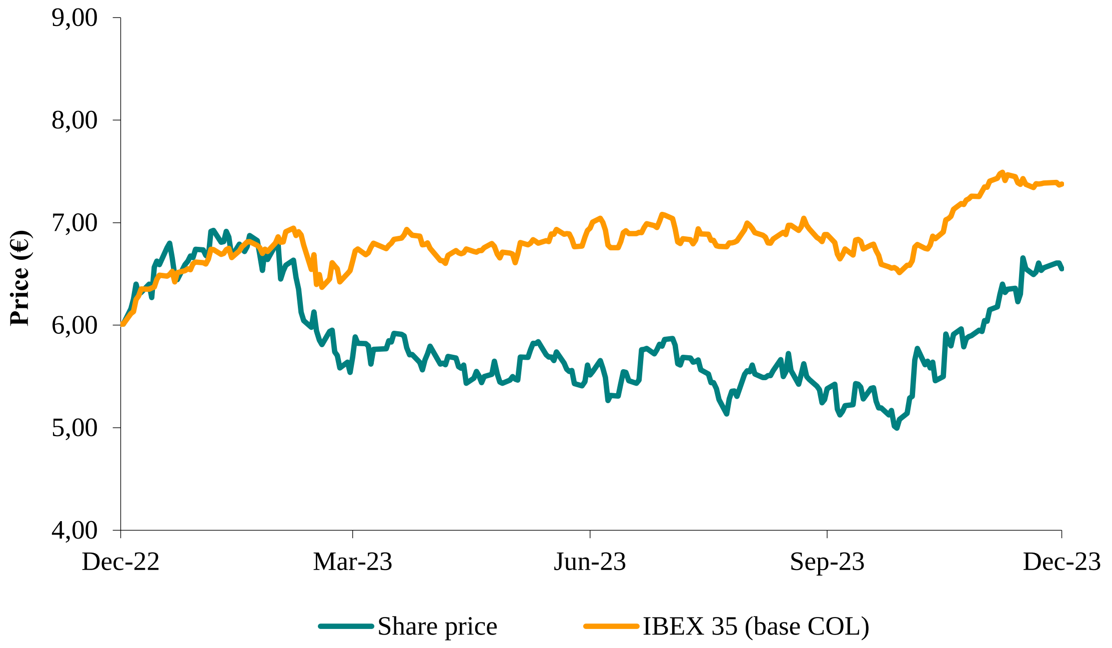
Alba's shareholding

During the year Alba increased its stake in the share capital of Colonial by an additional 2.55%, reaching a stake of 5.01% at 31 December 2023.

Stock market performance

During 2023, Colonial's share price increased by 9.0% to €6.55 per share, a lower performance than that of the IBEX 35, which rose by 22.8%. At December 31, Colonial's market capitalization was €3,534 million.

Colonial's stock market performance in 2023



Source: Bloomberg.

www.inmocolonial.com

BEFESA

Company description

Befesa, a Luxembourg company listed in Germany, is a leading provider of hazardous waste recycling services for the steel (world leader in steel mill dust recycling) and aluminum (salt slag and secondary aluminum) industries.

The Company has 24 recycling plants - 18 for steel and 6 for aluminum - in Europe (Spain, France, Germany, Sweden and Turkey), the United States and Asia (China and Korea), with an annual recycling capacity of 2.6 million tons.

After a period in which Befesa has carried out an international expansion strategy, by entering new countries organically and through acquisitions, 2023 has been a year in which the Company has concentrated its efforts on the integration of assets acquired in the USA and on reducing the Group's costs.

Company's main activity during 2023

Befesa's results in 2023 were affected, especially at EBITDA level, by various factors such as, for example, the fall in raw material prices (zinc and aluminum), the increase in the *treatment charge* paid to the refining plants and the increase in the price of coke.

In any case, the Company's sales increased by 3.9% in 2023 to €1,181 million thanks to the inclusion in the scope of consolidation of a zinc refining plant in the USA, acquired at the end of 2022.

EBITDA decreased by 15.2% to €182 million, due to the aforementioned factors. The EBITDA margin was also affected by the lower profitability of the newly acquired refining plant .

Net income decreased by 45.4% to €58 million.

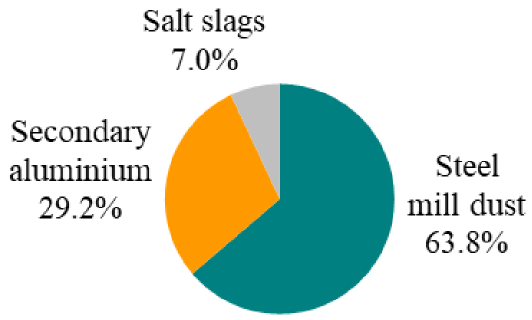
Most significant data (In millions of euros unless otherwise stated)	**2023**	2022	2021
Sales……...	**1,181**	1,136	822
EBITDA...	**182**	215	190
EBIT..	**107**	165	127
Net income (loss)..	**58**	107	102
Total assets..	**1,946**	1,977	1,796
Net financial debt...	**604**	549	471
Net equity...	**877**	819	632
Employees (31-dec.) ….………………………..……………	**1,790**	1,847	1,550
Share price (closing 31-dec.) (in euros per share)………	**35.20**	45.06	67.4
Market capitalisation (closing 31-dec.)………..…………	**1,408**	1,802	2,696
Gross dividend yield (over last price)…….....................	**2.07%**	2.80%	1.70%

By business area, the **Steel Powder** division's sales increased by 7.6% in 2023 to €786 million, while EBITDA fell by 20.5% to €134 million, due to the drop in recycled volume (-2.0%) and, above all, to the sharp fall in the price of zinc (-25.8%) which was partially offset by existing hedges.

The **Secondary Aluminum** division recorded a 4.2% drop in sales, to €360 million, affected by the drop in aluminum prices (-10.3%), which was partially offset by higher volumes (+4.7%). EBITDA increased by 13.7% to €22 million, mainly due to lower energy costs and operational improvements in the business.

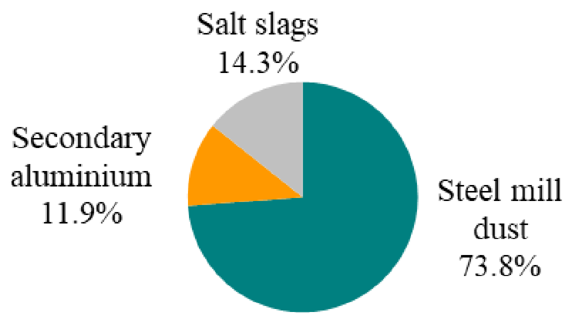
Finally, sales in the **Salt Slags** division increased by 11.6% to €86 million, supported by higher production capacity utilization. On the other hand, EBITDA fell by 3.6% to €26 million, despite higher volumes (+12.0% vs. 2022) and lower energy costs, which could not offset the negative effect of the aforementioned drop in aluminum prices.

Sales by segment



Total 2023: €1,181 million

EBITDA by segment



Total 2023: €182 million

In 2023, the Company's net financial debt increased by 10.0% to €604 million at December 31, mainly due to investments made (€105 million earmarked for the recovery of the Hanover plant, operational improvements in the U.S. and the start-up of the Henan plant in China), the dividend paid (€50 million) and the increase in working capital and finance charges. The net debt to adjusted EBITDA ratio for the year stood at 3.3 times in December 2023, compared to 2.6 times the previous year.

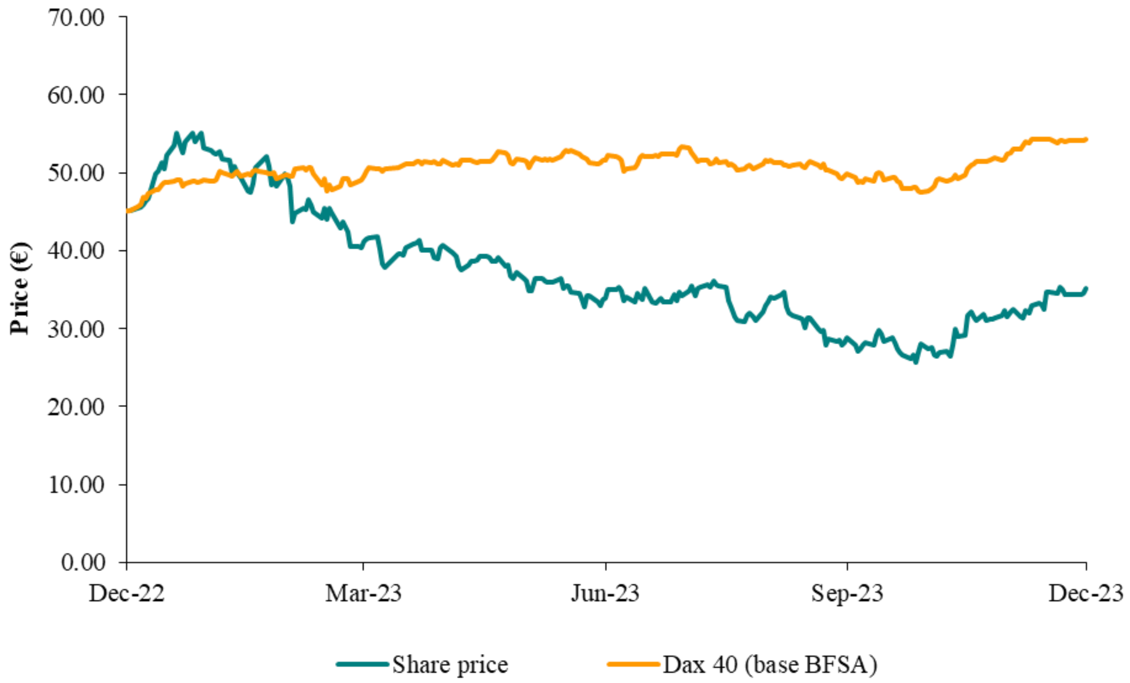
Alba's shareholding

During the year, Alba's interest in Befesa's share capital remained unchanged, maintaining an 8.66% interest at 31 December 2023.

Stock market performance

During 2023, Befesa's share price fell by 21.9% to €35.20 per share, a lower performance than DAX 40 index, which rose by 20.3%. At December 31, Befesa's market capitalization was €1,408 million.

Befesa's stock market performance in 2023



Source: Bloomberg.

www.befesa.com

VERISURE

Verisure is the leading provider of monitored alarm solutions for homes and small businesses in Europe and Latin America.

By the end of 2023, Verisure was serving more than 5.2 million households and small businesses through the "Securitas Direct" and "Verisure" brands in 13 countries in Europe and 4 countries in Latin America, being the leading operator in number of customers in almost all the countries in which it operates.

The company has a differentiated, vertically integrated business model that has enabled it to become the key operator of reference in the sector. Thanks to its more than 28,000 employees, Verisure has complete control of the value chain, from the design and development of innovative products to alarm monitoring (24/7) and customer service, through the marketing, installation and maintenance of each system and the provision to its customers of other integrated smart home services such as access control, climate control and, among others, security services for the elderly. This high level of service is reflected in high customer satisfaction rates, one of the best in its sector.

In 2023, Verisure posted revenues of €3.090 million, up 9.3% year-on-year, thanks to growth in the customer base and average revenue per customer. Recurring EBITDA for the year rose by 16.4% year-on-year to €1.340 million.

As of December 31, 2023, Alba had an indirect interest of 6.23% in the share capital of Verisure through its 82.09% interest in Alba Investments, S.à r.l..

www.verisure.com

ATLANTIC AVIATION

Atlantic Aviation is the second largest operator of airport services for private and corporate aviation in the U.S., with a presence in most of the country's busiest corporate airports.

Currently, the Company currently is present in more than 100 U.S. airports, where it provides a wide variety of services, including refueling, hangar rentals, de-icing services, aircraft management, and passenger and crew services, among others.

In 2023, the Company continued its growth strategy, consolidating the assets acquired in previous years and advancing its domestic expansion. Since Alba's investment in September 2021, Atlantic Aviation has completed the acquisition of Lynx, an operator with presence in 9 U.S. airports, the merger with Ross Aviation, an operator with a presence in 21 U.S. airports, as well as the acquisition of several assets complementary to its airport network.

As of 31 December 2023, Alba held an indirect interest of 10.45% in the share capital of Atlantic Aviation.

www.atlanticaviation.com

ERM

ERM is a global leader in environmental, health and safety, and sustainability consulting services, operating in diverse industries including metals and mining, energy, financial services, technology, chemicals, pharmaceuticals and fossil fuels.

Headquartered in London, it has 140 offices in more than 40 countries, as well as a team of more than 8,000 professionals worldwide.

The Company offers a wide range of services, including advice on the implementation strategy of corporate sustainability and climate change plans, management of environmental liabilities and mitigation of project risks, management and compliance with Environment, Health, Safety and Quality regulations, implementation of safety and risk monitoring programs, M&A advice through due diligence and implementation of digital programs.

As of 31 December 2023, Alba held an indirect 13.72% interest in the share capital of ERM.

www.erm.com

PARQUES REUNIDOS

Parques Reunidos is one of the largest amusement park operators in the world. It currently manages more than 50 amusement parks in 10 different countries, including theme, water and animal parks.

The Company is present mainly in Europe and the USA and also has activities, albeit limited, in Australia.

Parques Reunidos is the second largest operator in Europe and one of the three largest international operators in terms of traffic. It is also the world's leading operator of water parks and Europe's leading operator of animal parks.

Alba became a shareholder of Parques Reunidos at the IPO in April 2016 and continued as a significant shareholder following the takeover bid that concluded with the delisting of the Company's shares in December 2019.

At 31 December 2023, Alba had an indirect interest of 24.98% in the share capital of Parques Reunidos.

www.parquesreunidos.com

PROFAND

Profand, based in Vigo, is one of the main operators in the fishing industry in Spain and a world leader in the fishing and marketing of cephalopods, as well as in the sale of fish in protective atmosphere trays. In addition, the Group has an important presence in the business of fishing and commercialization of other species, such as salmon and shrimp.

The Company is vertically integrated, controlling (i) the origin, through a fleet of its own vessels and agreements with local fishermen, with access to some of the main fishing grounds worldwide; (ii) the processing through production plants in several countries; and (iii) the distribution of the final product, with sales in four continents. The Company has a significant presence in Spain, the USA and Argentina, among other countries.

Profand has shown solid progress in recent years, following a strategy that combines organic and inorganic growth.

As of 31 December 2023, Alba held a 23.71% interest in Profand's share capital.

www.profand.com

INVESTMENTS THROUGH THIRD PARTIES

Alba's strategy focuses on the active management of direct minority stakes in the share capital of companies - both listed and unlisted, Spanish and foreign - with only occasional consideration of investments through funds or vehicles managed by third parties.

Alba currently has investments through vehicles managed by **Artá Capital SGEIC SCR** ("Artá Capital", private equity) **and March PE Global** ("March PE" or "March PE Global", fund of funds): in the first case, these are private equity investments in small and medium-sized companies in Spain and Portugal, while in the second case they are portfolios of international funds that combine various strategies (LBO, venture capital, secondaries, etc.) with, in some cases, specialization in specific sectors such as technology or healthcare.

Both strategies complement Alba's core investment activity and are not in conflict with its investments. In addition, Alba also considers the possibility of co-investing directly in companies owned or managed by these managers, which would bring these investments closer to its core strategy.

Main aspects of Private Equity investments in fiscal year 2023

In March 2023, Alba sold its entire stake in Artá Capital to the managing partners. Following this sale, Alba continues to be a core investor in the funds managed by the latter, including a commitment to contribute to its third fund.

In its Fund I (2008), Artá Capital obtained fund commitments totaling €400 million, 75% of which corresponded to Alba. In-Store Media is the only company from this fund currently in the portfolio.

In Fund II (2016), commitments totaled €405 million, 47% of which corresponded to Alba. At the end of 2023, Artá Capital had divested a significant portion of the investments made, with the following investees in its portfolio: Vitaly, Nuadi, Alvic, Satlink, Facundo, Gesdocument, Food Delivery Brands and Monbake. In the case of the latter, an agreement was reached in March 2024 for the sale of the entire stake together with the other shareholders, which is expected to be completed during the year.

Finally, Artá is currently in the process of obtaining commitments for its Fund III from various investors, including Alba with a commitment of €100 million. At the end of 2023, the fund had one investee, the Portuguese company Ferreira de Sá, acquired in June of the same year.

Main aspects in investments of the fund of funds in fiscal 2023

Under this investment strategy, Alba currently participates in two vehicles managed by Banca March (March PE Global I and March PE Global II), in which it committed a total of €25 million in each. In 2023, Alba has disbursed close to €9 million between the two vehicles.

REAL ESTATE ACTIVITY

The rental market for offices in Madrid in fiscal year 2023 was marked by the adjustment to the new post-COVID scenario, the boost in technology, the concern for sustainability and wellbeing, the preference for strategic locations, stable prices with an upward trend in *prime* areas and greater flexibility in terms of contracts and services.

The concern for environmental sustainability and employee well-being influenced office leasing decisions. Buildings certified with environmental standards, such as LEED or BREEAM, and those that incorporated wellness-focused designs, such as natural lighting and green spaces, were highly valued by companies.

Despite the work from home flexibility patterns, strategic locations in Madrid, such as Paseo de la Castellana or Azca, maintained or increased their attractiveness. Thus, the demand for office spaces in central and well-connected locations remained strong. As a result, there was an upward trend in office rental prices in *prime* areas due to high demand and the limited availability of quality space in these locations.

Alba's real estate investment strategy focuses on the acquisition of office properties in *prime* areas of Madrid, buildings as a whole only, preferably leased to companies of reputable solvency.

The leasable area at December 31, 2023 amounted to 42,420 sqm and 1,038 parking spaces, with no changes in the portfolio during the year. The occupancy rate stood at 97.7% at the end of the year, compared to 88.4% of the previous year.

The value of the properties is updated every six months by an independent expert, who, as of December 31, 2023, valued them at €301 million.

Income from property leases amounted to €15 million in 2023, 16.3% higher than in 2022, as a result of the higher occupancy level of the properties and the increase in the average rent of the leases.

During the year, investments of €3 million were made to improve leasable spaces, strengthen the image of the properties that required it and modernize the facilities, achieving greater efficiency, better compliance with ESG standards and the generation of added value in them.

Lastly, in the last quarter of the year, the drafting of the project for the integral refurbishment of a building located at Castellana, 44 Bis (Ottea Building) was completed, and which remodel began in 2024 and is expected to be completed in the last quarter of 2025.

At year-end 2023, Alba's portfolio included the following properties: Castellana Building, 89; Castellana Building, 42; Castellana Building, 44; Oasis Building and Castelló Building, 74.

Auditor's Report on Corporación Financiera Alba, S.A. and subsidiaries

(Together with the consolidated annual accounts and consolidated directors' report of Corporación Financiera Alba, S.A. and subsidiaries for the year ended 31 December 2023)

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

KPMG Auditores, S.L.
Paseo de la Castellana 259 C
28046 Madrid

Independent Auditor's Report on the Consolidated Annual Accounts

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of Corporación Financiera Alba, S.A.

REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

Opinion

We have audited the consolidated annual accounts of Corporación Financiera Alba, S.A. (the "Parent") and subsidiaries (together the "Group"), which comprise the consolidated balance sheet at 31 December 2023, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and consolidated notes.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of the Group at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for Opinion

We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts section of our report.

We are independent of the Group in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the consolidated annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverable amount of investments in associates with indications of impairment

See notes 4 e) and 10 to the consolidated annual accounts

Key audit matter	*How the matter was addressed in our audit*

The Group holds investments in associates amounting to Euros 2,717.0 million at 31 December 2023, which are accounted for using the equity method.
There is a risk that the carrying amount associated with the net investment in the associates may exceed the recoverable amount, in particular in those entities whose listed price is lower than the carrying amount on the Group's consolidated balance sheet.
At each reporting date the Group assesses the possible existence of impairment of the aforementioned investments and, where applicable, it estimates their recoverable amount and determines the need to recognise the corresponding impairment of investments.
The recoverable amount of these investments is determined by applying valuation techniques that require management's judgement and the use of assumptions and estimates.
Due to the uncertainty and judgement associated with these estimates, as well as the significance of the carrying amount of the investments in associates, we have considered their measurement to be a key audit matter.
	Our audit procedures included the following:
	– We assessed the design and implementation of the key controls relating to the processes of identifying possible evidence of impairment and estimating the recoverable amount of investments in associates.
	– We evaluated the criteria used by management when identifying indications of impairment of investments in associates. To this end, we contrasted the information on the share prices of the investments in associates used for this assessment.
	– In the case of investments showing indications of impairment:
	  - We assessed the reasonableness of the methodology and assumptions used to estimate the recoverable amount of these investments, involving our valuation specialists in the process.
	  - We contrasted the information contained in the pricing model with external information regarding the future performance of the industry to which these companies belong.
	  - We evaluated the sensitivity of the estimated recoverable amount to changes in the relevant assumptions and judgements, such as the discount rate and the expected future growth rate, for the purpose of assessing its impact on the recoverable amount.
	- Lastly, we assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.

Other Information: Consolidated Directors' Report

Other information solely comprises the 2023 consolidated directors' report, the preparation of which is the responsibility of the Parent's Directors and which does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not encompass the consolidated directors' report. Our responsibility regarding the information contained in the consolidated directors' report is defined in the legislation regulating the audit of accounts, as follows:

a) Determine, solely, whether the consolidated non-financial information statement and certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as specified in the Spanish Audit Law, have been provided in the manner stipulated in the applicable legislation, and if not, to report on this matter.

b) Assess and report on the consistency of the rest of the information included in the consolidated directors' report with the consolidated annual accounts, based on knowledge of the Group obtained during the audit of the aforementioned consolidated annual accounts. Also, assess and report on whether the content and presentation of this part of the consolidated directors' report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described above, we have observed that the information mentioned in section a) above has been provided in the manner stipulated in the applicable legislation, that the rest of the information contained in the consolidated directors' report is consistent with that disclosed in the consolidated annual accounts for 2023, and that the content and presentation of the report are in accordance with applicable legislation.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Directors' and Audit Committee's Responsibility for the Consolidated Annual Accounts

The Parent's Directors are responsible for the preparation of the accompanying consolidated annual accounts in such a way that they give a true and fair view of the consolidated equity, consolidated financial position and consolidated financial performance of the Group in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent's Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent's audit committee is responsible for overseeing the preparation and presentation of the consolidated annual accounts.

Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's Directors.
- Conclude on the appropriateness of the Parent's Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent's audit committee with a statement that we have complied with the applicable ethical requirements, including those regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee of the Parent, we determine those that were of most significance in the audit of the consolidated annual accounts of the current period and which are therefore the key audit matters.

We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

European Single Electronic Format

We have examined the digital files of Corporación Financiera Alba, S.A. and its subsidiaries for 2023 in European Single Electronic Format (ESEF), which comprise the XHTML file that includes the consolidated annual accounts for the aforementioned year and the XBRL files tagged by the Company, which will form part of the annual financial report.

The Directors of Corporación Financiera Alba, S.A. are responsible for the presentation of the 2023 annual financial report in accordance with the format and mark-up requirements stipulated in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 (hereinafter the "ESEF Regulation"). In this regard, they have incorporated the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration by means of a reference thereto in the consolidated directors' report.

Our responsibility consists of examining the digital files prepared by the Directors of the Parent, in accordance with prevailing legislation regulating the audit of accounts in Spain. This legislation requires that we plan and perform our audit procedures to determine whether the content of the consolidated annual accounts included in the aforementioned digital files fully corresponds to the consolidated annual accounts we have audited, and whether the consolidated annual accounts and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.

In our opinion, the digital files examined fully correspond to the audited consolidated annual accounts, and these are presented and marked up, in all material respects, in accordance with the requirements of the ESEF Regulation.

Additional Report to the Audit Committee of the Parent

The opinion expressed in this report is consistent with our additional report to the Parent's audit committee dated 18 April 2024.

Contract Period

We were appointed as auditor of the Group by the shareholders at the (ordinary/extraordinary) general meeting on 20 June 2023 for a period of three years, from the year commenced 1 January 2023.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Previously, we had been appointed for a period of three years, by consensus of the shareholders at their general meeting, and have been auditing the annual accounts since the year ended 31 December 2017.

KPMG Auditores, S.L.
On the Spanish Official Register of
Auditors ("ROAC") with No. S0702

(Signed on original in Spanish)

Begoña Pradera Goiri
On the Spanish Official Register of Auditors ("ROAC") with No. 22,614

18 April 2024

CONSOLIDATED ANNUAL ACCOUNTS OF CORPORACIÓN FINANCIERA ALBA, S.A. AND SUBSIDIARIES FOR 2023

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2023 AND 2022

(In millions of Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

ASSETS	Note	31/12/2023	31/12/2022
Investment property	6	301.2	317.5
Property, plant and equipment	7	1.3	22.5
Goodwill	8	-	75.3
Other intangible assets	9	0.1	123.7
Investments in associates	10	2,717.0	2,651.7
Investments at fair value through profit or loss	11	1,831.0	1,364.2
Other financial assets	12	88.4	72.3
Other receivables	2	4.5	-
Deferred tax assets	22	0.2	0.9
NON-CURRENT ASSETS		4,943.7	4,628.1
Non-current assets held for sale	2.3 and 30	-	3.6
Inventories		-	26.1
Trade and other receivables	13	40.0	93.0
Other financial assets	14	68.0	374.0
Cash and cash equivalents	14	337.9	198.3
CURRENT ASSETS		445.9	695.0
TOTAL ASSETS		**5,389.6**	**5,323.1**

EQUITY AND LIABILITIES	Note	31/12/2023	31/12/2022
Share capital	15	60.3	59.2
Retained earnings and other reserves		4,665.7	4,421.5
Equity		4,726.0	4,480.7
Non-controlling interests	15	60.1	138.4
TOTAL EQUITY		4,786.1	4,619.1
Loans and borrowings	19	70.0	161.7
Other financial liabilities	12	30.1	22.8
Provisions	17	0.4	0.4
Deferred tax liabilities	22	25.0	55.6
NON-CURRENT LIABILITIES		125.5	240.5
Non-current liabilities held for sale	30	-	1.4
Suppliers and other payables	18	33.5	73.1
Loans and borrowings	19	444.5	389.0
CURRENT LIABILITIES		478.0	463.5
TOTAL EQUITY AND LIABILITIES		**5,389.6**	**5,323.1**

The accompanying notes 1 to 31 form an integral part of the consolidated annual accounts at 31 December 2023.

CONSOLIDATED INCOME STATEMENT FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

(In millions of Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Note	2023	2022
Share of profit/(loss) of associates	10	160.8	231.4
Revenue	24	50.7	166.4
Other income		2.4	0.5
Supplies		(16.2)	(61.9)
Changes in fair value of investment property	6	(19.4)	1.1
Proceeds from disposal of and income from assets	2.3 and 6	2.5	47.5
Impairment	10	(42.1)	(3.1)
Personnel expenses	25.a	(25.5)	(53.6)
Other operating expenses	24	(59.1)	(56.7)
Amortisation and depreciation	7 and 9	(4.2)	(18.1)
OPERATING PROFIT/(LOSS)		**49.9**	**253.5**
Finance income	25.b	77.5	21.5
Finance costs and exchange differences		(13.2)	(6.3)
Change in fair value of financial instruments	11, 12, 14 and 25.c	125.0	176.5
NET FINANCE INCOME		**189.3**	**191.7**
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**239.2**	**445.2**
Income tax expense	22	(7.1)	(0.6)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**232.1**	**444.6**
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR		**232.1**	**444.6**
Profit/(loss) attributable to non-controlling interests	15	(1.9)	8.2
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO THE GROUP		**234.0**	**436.4**
Earnings/(loss) per share (Euros/share)	15	3.88	7.37

The accompanying notes 1 to 31 form an integral part of the consolidated annual accounts at 31 December 2023.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

(In millions of Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Note	2023	2022
CONSOLIDATED PROFIT FROM INCOME STATEMENT, INCOME AND		**232.1**	**444.6**
EXPENSE RECOGNISED DIRECTLY IN EQUITY			
Items that will not be reclassified to profit or loss	10	28.5	7.0
Share of other comprehensive income of investments in associates		28.5	7.0
Items that will be reclassified to profit or loss	10	(13.4)	38.0
Share of other comprehensive income of investments in associates		(13.4)	38.0
Amounts transferred to the income statement		-	-
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY		**247.2**	**489.6**
TOTAL COMPREHENSIVE INCOME		**247.2**	**489.6**
Attributable to the Parent		249.1	481.4
Attributable to non-controlling interests		(1.9)	8.2

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

(In millions of Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Share capital	Retained earnings and other reserves	Interim dividend	Equity	Non-controlling interests	Total equity
BALANCE AT 1 JANUARY 2022	58.2	4,011.0	(29.1)	4,040.1	164.5	4,204.6
Changes in consolidated equity of associates (note 10)	-	45.0	-	45.0	-	45.0
Profit/(loss) for the year	-	436.4	-	436.4	8.2	444.6
Total income and expense for the year	-	481.4	-	481.4	8.2	489.6
Interim dividend for the prior year (note 3)	-	(29.1)	29.1	-	(0.8)	(0.8)
Dividends paid in the year (note 3)	-	(41.0)	-	(41.0)	-	(41.0)
Capital increases (note 15)	1.0	(1.0)	-	-	-	-
Other changes	-	0.2	-	0.2	(33.5)	(33.3)
BALANCE AT 31 DECEMBER 2022	59.2	4,421.5	-	4,480.7	138.4	4,619.1
Changes in consolidated equity of associates (note 10)	-	15.1	-	15.1	-	15.1
Profit/(loss) for the year	-	234.0	-	234.0	(1.9)	232.1
Total income and expense for the year	-	249.1	-	249.1	(1.9)	247.2
Dividends paid in the year (note 3)	-	(6.0)	-	(6.0)	-	(6.0)
Capital increases (note 15)	1.1	(1.1)	-	-	-	-
Loss of control (Nuadi, Facundo and Gesdocument) (notes 2.3 and 15)	-	-	-	-	(77.1)	(77.1)
Other changes	-	2.2	-	2.2	0.7	2.9
BALANCE AT 31 DECEMBER 2023	60.3	4,665.7	-	4,726.0	60.1	4,786.1

The accompanying notes 1 to 31 form an integral part of the consolidated annual accounts at 31 December 2023.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

(In millions of Euros)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Note	2023	2022
OPERATING ACTIVITIES			
Profit/(loss) for the year before tax		239.2	445.2
Adjustments for:			
Amortisation and depreciation	7 and 9	4.2	18.1
Changes in fair value of investment property	6	19.4	(1.1)
Share of profit of associates	10	(160.8)	(231.4)
Income from assets	6 and 10	(2.5)	(47.5)
Impairment	10	42.1	3.1
Change in fair value of financial instruments and other	11, 12, 14 and 25.c	(125.0)	(176.5)
Finance income	25.b	(77.5)	(21.5)
Finance costs		13.2	6.3
Other income and expense		27.4	–
Other cash flows from operating activities			
Dividends received		126.4	88.8
Working capital		(24.7)	25.2
Income tax payments on account		33.2	(14.2)
Interest received		20.4	10.1
Interest paid		(13.2)	(6.3)
NET CASH FLOWS FROM OPERATING ACTIVITIES		**121.8**	**98.3**
INVESTING ACTIVITIES			
Acquisition of interests in associates and other investments	10	(2.3)	(23.8)
Acquisition of subsidiaries, net of cash	5	–	(20.7)
Acquisition of investment property	6	(3.1)	(2.0)
Sale of investment property	6	–	22.0
Acquisition of other investments	11 and 14	(252.0)	(243.0)
Receipts from other financial assets		252.9	175.4
Sales of property, plant and equipment and intangible assets		–	15.2
Purchases of property, plant and equipment and intangible assets	7	(0.3)	(20.7)
Sales of non-current assets held for sale		–	110.8
Other movements (loss of control of Nuadi, Facundo and Gesdocument)		(15.8)	–
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		**(20.6)**	**13.2**
FINANCING ACTIVITIES			
Dividends paid	3	(6.0)	(41.0)
Payments for loans and borrowings	16	(22.3)	(117.2)
Proceeds from loans and borrowings	16	67.3	70.0
Payments for other debts		(0.6)	(1.7)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		**38.4**	**(89.9)**
NET INCREASE IN CASH		**139.6**	**21.6**
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**14**	198.3	176.7
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	14	337.9	198.3

The accompanying notes 1 to 31 form an integral part of the consolidated annual accounts at 31 December 2023.

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Activities

Corporación Financiera Alba, S.A. (hereinafter, the Company) has its registered office in Madrid (Spain) and holds significant interests in a number of companies operating in different sectors of the economy. Details of these companies are provided below. Its basic activities include the operation of buildings under lease agreements and the holding of interests in companies through venture capital activity. Alba and its subsidiaries make up the Alba Group (hereinafter, Alba or the Group).

Given Alba's activities, it does not have any environmental liabilities, expenses, assets, provisions or contingencies that could be material with respect to its equity, financial position or results. Consequently, these consolidated annual accounts do not disclose any specific information relating to environmental issues.

2. Basis of Presentation of the Consolidated Annual Accounts

2.1. Accounting principles

Alba's consolidated annual accounts for the year ended 31 December 2023 were authorised for issue by the Board of Directors in the meeting held on 18 March 2024. They have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union in conformity with Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002, as well as subsequent amendments, to provide a true and fair view of Alba's consolidated equity and consolidated financial position at 31 December 2023, the consolidated results of its operations and changes in consolidated equity and consolidated cash flows of the Group for the year then ended.

The figures disclosed in the consolidated annual accounts are expressed in millions of Euros except where otherwise stated.

These consolidated annual accounts have been prepared on a historical cost basis, except for the following (IAS 1-117 and 1-118):

- Investment property is measured at fair value;
- Financial assets at fair value through profit or loss:
- Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs of disposal.

The measurement criteria and principles applied are described in note 4 of these notes to the consolidated annual accounts. All mandatory accounting principles and measurement criteria with a significant effect on the consolidated annual accounts have been applied.

The directors of the Parent consider that the consolidated annual accounts for 2023, authorised for issue on 18 March 2024, will be approved with no changes by the shareholders at their annual general meeting.

Comparative information

These consolidated annual accounts include comparative figures for the prior year.

New standards, amendments and interpretations of existing standards

a) Mandatory standards, amendments and interpretations for all years beginning on or after 1 January 2023.

These consolidated annual accounts have been prepared using the same accounting principles as those applied in the consolidated annual accounts for the year ended 31 December 2022, except for the standards and amendments adopted by the European Union set out below and, therefore, applied for the first time this year, which are mandatory from 1 January 2023 onwards:

- Amendment to IAS 1. Amendments to adequately identify information on significant accounting policies that must be disclosed in the financial statements.

- Amendment to IAS 8. Amendments and clarifications on the definition of accounting estimates.

- Amendment to IAS 12. Clarifications on how companies account for deferred tax on leases and decommissioning obligations.

- Amendment to IFRS 17. Amendments to the transition requirements of IFRS 17 for insurers that first apply IFRS 17 and IFRS 9 at the same time.

- IFRS 9. This replaces IFRS 4 and lays down the principles for the recognition, measurement, presentation and disclosure of insurance contracts so that an entity may provide relevant and reliable financial information about the insurance contracts in the financial statements.

None of the above-mentioned standards and amendments that came into effect in 2023 have had a significant impact on the Group’s consolidated financial statements.

b) Standards and interpretations approved by the European Union applied for the first time on or after 1 January 2024.

- Amendment to IFRS 16. Amendment clarifying the subsequent accounting of lease liabilities arising in sale and leaseback transactions.

The Group’s directors do not expect significant future impacts from the application of such amendments.

c) Standards and interpretations published by the IASB but not yet approved by the European Union.

- Amendment to IAS 1. Clarifications regarding the presentation of liabilities as current or non-current, particularly with settlement subject to compliance with covenants.

- Amendment to IAS 21. This establishes the requirements for the exchange of currencies, and in the case of non-exchangeability, the exchange rate to be used.

- Amendments to IAS 7 and IFRS 7. Amendments to disclosures in the financial statements regarding supplier agreements and their effects on liabilities, cash flows and liquidity risk.

The Group's directors do not expect significant future impacts from the application of such amendments.

2.2. Use of judgement and estimates in the preparation of the consolidated annual accounts

The preparation of certain information included in these consolidated annual accounts has required the use of judgements and estimates based on assumptions that affect the application of accounting criteria and policies and the reported amounts of assets and liabilities, income and expenses and obligations. The most significant estimates used in preparing these consolidated annual accounts are as follows:

- The estimate of the recoverable amount of interests in associates with indications of impairment.
- The assumptions used to calculate the fair value of certain unlisted financial assets and investment property.
- The determination of the fair values in business combinations and the assessment of possible impairment losses on certain assets.

The estimates and assumptions used are periodically reviewed. Any change in accounting estimates following such a review or due to future events is recognised in the consolidated income statement for that and successive periods, in accordance with IAS 8.

2.3. Subsidiaries

Subsidiaries are fully consolidated. The Group obtains control when it is exposed, or has rights, to variable returns from its involvement with a subsidiary and it has the ability to affect those returns through its power over the subsidiary. Specifically, the Group controls a subsidiary if and only if, the Group has:

- Power over the subsidiary (existing rights that give it the current ability to direct the relevant activities of the subsidiary).
- Exposure, or rights, to variable returns from its involvement with the subsidiary.

- The ability to use its power over the subsidiary to affect the amount of the returns.

It is generally assumed that a majority of voting rights amounts to control. In cases where the Group manages venture capital entities or holds investments therein, internal procedures and criteria that take into consideration IFRS 10 are applied to determine whether control exists and, therefore, whether or not the entity should be fully consolidated. These methods take into consideration, among other aspects, the scope of its decision-making authority, the rights held by other parties, the remuneration to which it is entitled in accordance with the remuneration agreement(s) or the decision-maker's exposure to variability of returns from other interests that it holds in the investee.

The assets and liabilities of subsidiaries are measured initially at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the fair values of the identifiable net assets acquired (i.e. a bargain purchase) the difference is recognised in profit or loss on the acquisition date.

Third-party interests in the Group's equity and profit or loss for the year are recognised as non-controlling interests within total equity in the consolidated balance sheet and as profit or loss attributable to non-controlling interests in the consolidated income statement.

In accordance with International Financial Reporting Standards, Group companies and business combinations are fully consolidated and all their assets, liabilities, income, expenses and cash flows are included in the consolidated annual accounts after making the adjustments and eliminations relating to intra-Group transactions.

Details at 31 December 2023 and 2022 are as follows:

Subsidiary	Activity	Year	Percentage ownership	Carrying amount before consolidation	Equity	Profit/(loss) for the year
Alba Patrimonio Inmobiliario, S.A.U.	Investment property	2023	100.00	203.9	218.3	0.6
C/ Castelló, 77, 5ª planta 28006-Madrid		2022	100.00	181.0	229.7	14.2
Alba Europe, S.à.r.l.	Investment in transferable securities	2023	100.00	1480.2	1618.4	40.0
46A Av. J.F.Kennedy L-1855 Luxembourg		2022	100.00	1306.5	1484.7	44.3
Alba Investments, S.à.r.l.	Investment in transferable securities	2023	82.09	358.0	546.7	-0.1
46A Av. J.F.Kennedy L-1855 Luxembourg		2022	82.09	358.0	546.8	-0.1
Artá Capital, SGEIC, S.A.U.	Management Company of Venture Capital Firms	2023	-	-	-	-
Pza. Marqués de Salamanca, 10 28006-Madrid		2022	77.14	1.8	1.6	0.8
Artá Partners, S.A.	Investment in transferable securities	2023	-	-	-	-
C/ Castelló, 77, 5ª planta 28006-Madrid		2022	77.14	1.6	2.1	1.5
Deyá Capital IV, SCR, S.A.U.	Venture capital firm	2023	100.00	66.1	101.4	-28.2
C/ Castelló, 77, 5ª planta 28006-Madrid		2022	100.00	57.8	121.3	28.6
Alba KKR Core International, S.C.A.	Venture capital firm	2023	99.99	586.0	869.1	100.7
2, rue Edward Steichen L-2540 Luxembourg		2022	99.99	562.0	737.1	152.8
Alba KKR Core International Blocker, S.à.r.l.	Venture capital firm	2023	99.99	323.6	375.2	43.4
2, rue Edward Steichen L-2540 Luxembourg		2022	99.99	323.6	355.0	31.4
Nuadi subgroup (Nuadi Components) (1)	Industrial supplies	2023	-	-	-	-
Polígono industrial Arazuri-Orcoyen Arazuri-Navarra		2022	37.43	20.5	43.6	2.1
Facundo subgroup (2)	Production and distribution of nuts, dried fruits and snacks	2023	-	-	-	-
Ctra. N-611, Villamuriel 34190 - Palencia		2022	31.92	18.7	36.4	7.8
Gesdocument y Gestión, S.A. (3)	Provision of legal, employment and financial advisory services	2023	-	-	-	-
Roc Boronat 147,10ª planta 08005 - Barcelona		2022	46.53	8.2	3.4	0.3

(1) At 31 December 2022 this subgroup was made up of Nuadi Components, S.L., Nuadi Europe, S.L. and Shanghai Nuadi China, Co. Ltd.

(2) At 31 December 2022 this subgroup was made up of Disfasa, S.A., Facundo Blancos, S.A.U., Los Girasoles, S.A.U., Incofasa, S.L.U. and PDV Gesfasa D. S.L.U.

(1) (2) (3) Alba's interests are held through Deyá Capital IV, SCR, S.A.U.

Additionally, at 31 December 2022, 53.21% of Gesdocument, 42.57% of the Nuadi subgroup and 48.8% of the Facundo subgroup belonged to other companies / venture capital funds in which Alba did not hold an interest, but which were managed by Artá Capital, SGEIC, S.A.U., which exercised control over said vehicles and determined what investments to make. There were no restrictions regarding management and they were exposed to variable returns. As a result of the foregoing, Alba considered that it had control over these subgroups in 2022.

The main changes in the scope of consolidation in 2023 relating to subsidiaries were as follows:

Sale of the entire stake in Artá Partners, S.A.

In March 2023, the Company sold all the shares it held in the subsidiary Artá Partners, S.A., the owner of 100% of the shares of Artá Capital, SGEIC, S.A.U. The sale gave rise to a gain of Euros 2.5 million, recognised under proceeds from disposal of non-current assets. At 31 December 2023, Euros 4.5 million of long-term receivables are outstanding under other non-current receivables.

At 31 December 2022 the assets and liabilities of these two companies were classified as held for sale.

As a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U., the Group has ceased to exercise control over the Nuadi, Facundo and Gesdocument subgroups. Therefore, since the date Artá Partners, S.A. was sold, these subgroups have ceased to be fully consolidated and have been recognised at fair value under investments at fair value through profit or loss (see note 11), generating a gain of Euros 7.3 million at 31 December 2023.

When control over Nuadi, Facundo and Gesdocument was lost, Alba held direct interests of 37.43%, 31.92% and 46.53%, respectively, in each of the companies. In addition, there were stakes of 42.57% (Nuadi), 48.08% (Facundo) and 53.21% (Gesdocument) belonging to other companies / venture capital funds in which Alba did not hold an interest, but which were managed by Artá (a company in which Alba is the majority shareholder). This meant that the percentage managed before the loss of control was 80.00% in the cases of Nuadi and Facundo and 90.64% in the case of Gesdocument.

Since the sale, Alba has ceased to participate in the management of these companies via Artá and has only held direct stakes of 37.43% (Nuadi), 31.92% (Facundo) and 46.53% (Gesdocument), therefore exerting no control over them.

The fair value of the Nuadi Group was calculated by Kroll Advisory, S.L., an independent expert, and the methodology used was the same as that described in note 11 for the measurement of investments at fair value through profit or loss.

The main assumptions used to calculate the fair value were as follows:

- Growth rate in perpetuity (g): 2%
- Weighted average cost of capital (WACC): 12.5%

In the case of Facundo and Gesdocument, the investments had been in Alba's portfolio for less than one year at the time of the loss of control of the holdings. They have therefore been valued at their purchase price plus the profit obtained since the acquisition of the holdings. This amount is consistent with their fair value, as there have been no events that would have changed the value of the investment in the short period of time between purchase and loss of control. Therefore, due to the proximity of the dates between the acquisition and the loss of control of the holdings, the fair value and consolidated net assets of the two companies are the same.

The main changes in the scope of consolidation in 2022 relating to subsidiaries were as follows:

Sale of the entire ownership interest in the Satlink subgroup

On 31 March 2022, the sale of the Group's entire ownership interest in the Satlink Group, which at the time of the sale amounted to 28.07%, was completed. The sale amounted to Euros 48.5 million, giving rise to a gain of Euros 36.4 million recognised at 31 December 2022 under proceeds from disposal of non-current assets.

Loss of control of the Preving subgroup

In May 2022, the Preving Group acquired all the shares of Cualtis, S.L.U.; concurrent to the acquisition, a capital increase was carried out at Preving to allow new shareholders to join the subgroup. As a result of these transactions and the entry of new shareholders, the Alba Group's interest in Preving was diluted from 24.81% to 21.41%, and it lost control over the Preving Group as a result of the loss of control of the majority interest by the venture capital management company Artá Capital SGEIC, S.A.U. and the new shareholders' agreements between the parties.

Since the Alba Group's loss of control, the Group's 21.41% ownership interest in Preving has been recognised at fair value under investments at fair value through profit or loss (see note 11), giving rise to a gain of Euros 16.1 million in 2022.

Acquisition of 37.43% of the Facundo Group

In June 2022, through Deyá Capital IV, SCR, S.A., Alba acquired 37.43% of the share capital of Disfasa, S.A. (parent of the Facundo Group) for Euros 21.9 million. The Facundo Group has its registered office in Spain and its principal activity is the production and distribution of nuts, dried fruit and snacks. The main reason for control over this group was that the venture capital management company Artá Capital SGEIC, S.A.U. managed a majority ownership interest (see business combination in note 5). Subsequently, in December, the Group sold its 5.51% interest in the Facundo Group for Euros 3.3 million, giving rise to a gain of Euros 0.1 million in 2022. At 31 December 2022, Alba held 31.92% of the Facundo Group.

Acquisition of 46.79% of Gesdocument y Gestión, S.A.

In June 2022, through Deyá Capital IV, SCR, S.A., Alba acquired 46.79% of the share capital of Gesdocument y Gestión, S.A. for Euros 8.2 million. Gesdocument y Gestión, S.A. has its registered office in Spain, and its principal activity is the provision of tax, economic, financial, administrative, employment and accounting advisory services. The main reason for control over this group was that the venture capital management company Artá Capital SGEIC, S.A.U. managed a majority ownership interest (see business combination in note 5).

In 2023 KPMG Auditores, S.L. was the auditor of all of the companies mentioned except for Alba Europe, S.à r.l. and Alba Investments, S.à r.l., which were audited by Audit Consell Services, S.à r.l., and Alba KKR Core International, S.C.A., which was audited by Deloitte, S.L.

In 2022 KPMG Auditores, S.L. was the auditor of all of the companies mentioned except for Alba Europe, S.à r.l. and Alba Investments, S.à.r.l., which were audited by Audit Consell Services, S.à r.l., Alba KKR Core International, S.C.A., the Preving subgroup, and the Facundo subgroup, which were audited by Deloitte, S.L., and the Nuadi subgroup, which was audited by Ernst&Young, S.L.

2.4. Associates

Entities over which Alba exercises significant influence even though its interest therein is less than 20% are considered associates. To determine whether significant influence exists, among other situations the Parent considers representation on the Board of Directors, involvement in establishing policies and the permanence of the interest.

Details for 2023 and 2022 are as follows:

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Associate / Auditor	Registered office	Activity	Percentage ownership At 31/12/23	At 31/12/22	Change	Seats on the Board of Directors at 31/12/2023
Acerinox, S.A. Auditor: PWC	Santiago de Compostela, 100 (Madrid)	Manufacture and sale of stainless steel	19.29	18.52	0.77	3
Aegis Lux 2, S.à.r.l. (1) Auditor: PWC	15, Boulevard F.W. Raiffeisen L-2411 Luxembourg	Connected alarms	7.59	7.59	-	1
CIE Automotive, S.A. Auditor: KPMG	Alameda Mazarredo, 69 (Bilbao)	Automotive industry	13.66	13.35	0.31	1
Ebro Foods, S.A. Auditor: EY	Paseo de la Castellana, 20 (Madrid)	Food	14.52	14.52	-	2
Profand Fishing Holding, S.L. Auditor: Deloitte	Avda. García Barbón, 62 Bloque 1, Vigo	Sale of fish and seafood products	23.71	23.71	-	2
Piolin II, S.à.r.l. (2) Auditor: KPMG	26A, Boulevard Royal L-2449 Luxembourg	Recreational and entertainment activities	25.09	25.09	-	1
Rioja Luxembourg, S.à.r.l. (3) Auditor: E&Y	20, Avenue Monterey L-2163 Luxembourg	Businesses relating to gas, electricity and any other energy source	25.73	25.73	-	-
Viscofan, S.A. Auditor: PWC (Tajonar-Navarra)	Polígono Industrial Berroa	Manufacture of meat packaging, cellulose or artificial casings for cured meats	14.25	14.25	-	1

(1) Through this company, Alba holds a 6.23% indirect ownership interest in Verisure, which also operates under the brand name "Securitas Direct".

(2) Through this company, Alba holds a 24.98% indirect ownership interest in Parques Reunidos.

(3) Through this company, Alba holds a 5.33% indirect ownership interest in Naturgy; added to the 0.11% direct ownership interest held by Alba, this yields a total interest of 5.44% in Naturgy. Alba sits on the Board of Directors of Rioja Acquisition, S.à.r.l., a subsidiary of Rioja Luxembourg, S.à.r.l. and direct shareholder of Naturgy.

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

There were no acquisitions or disposals of investments in associates in 2023. Alba has increased its stakes in Acerinox, S.A. and CIE Automotive, S.A. due to the redemption of own shares carried out by these companies. As a result of these transactions, Acerinox, S.A. reduced its share capital by 4% and, therefore, Alba's ownership interest increased by 0.77%. CIE Automotive, S.A. reduced its share capital by 2.2% and, consequently, Alba increased its stake by 0.31%.

In 2022 Alba saw its ownership interest in Acerinox, S.A. increase because of Acerinox's redemption of own shares. As a result of this transaction, Acerinox, S.A. reduced its share capital by 4% and, therefore, Alba's ownership interest increased by 0.74%. The ownership interests in CIE Automotive, S.A., Ebro Foods, S.A. and Viscofan, S.A. increased through new acquisitions in 2022.

3. Distribution of Profit

The distribution of Corporación Financiera Alba, S.A.'s profit for 2023 to be submitted by the Board of Directors for approval by the shareholders at their general meeting, and the distribution of profit for 2022 approved by the shareholders at their general meeting, are as follows (in millions of Euros):

Basis of allocation	2023	2022
Profit for the year	194.1	41.2
Total	194.1	41.2
Distribution		
Reserves	194.1	41.2
Total	194.1	41.2

In addition, Alba's Board of Directors plans to propose for approval by the shareholders at the Annual General Meeting in 2024 a scrip dividend of up to Euros 58,566,264.47 (equivalent to Euros 0.938 per share), whereby the Company's shareholders may choose between (i) receiving newly issued bonus shares; (ii) obtaining an equivalent amount in cash by transferring to the Company the free allotment rights they receive for the shares they hold; and/or (iii) obtaining the cash value by transferring such rights on the market.

The dividends paid by the Company in 2023 and 2022 were as follows:

	No. of shares with rights	Euros/Share	Millions of Euros
2023			
Scrip dividend 2023 (note 15)	6,244,550	0.96	6.0

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	No. of shares with rights	Euros/Share	Millions of Euros
2022			
Scrip dividend 2022 (note 15)	12,001,907	0.99	11.9
Final dividend for 2021	58,240,000	0.50	29.1

4. Significant Accounting Policies

The main accounting policies used in preparing the accompanying consolidated annual accounts were as follows:

a) Business combinations and non-controlling interests (minority interests) (note 5)

Business Combinations

Alba applies the acquisition method for business combinations. The acquisition date is the date on which Alba obtains control of the acquiree.

The consideration transferred in a business combination is calculated as the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred or assumed, the equity instruments issued and any consideration contingent on future events or compliance with certain conditions in exchange for control of the acquiree.

The consideration transferred excludes any payment that does not form part of the exchange for the acquired business. Acquisition costs are recognised as an expense when incurred.

The Group recognises the assets acquired and liabilities assumed at their acquisition-date fair value. Non-controlling interests in the acquiree are recognised at the proportionate interest in the fair value of the net assets acquired. This criterion is only applicable for non-controlling interests which grant present access to economic benefits and entitlement to a proportionate share of the acquiree's net assets in the event of liquidation. Otherwise, non-controlling interests are measured at fair value or value based on market conditions. Liabilities assumed include any contingent liabilities that represent present obligations arising from past events for which the fair value can be reliably measured. The Group also recognises indemnification assets transferred by the seller at the same time and following the same measurement criteria as the item that is subject to indemnification from the acquiree, taking into consideration, where applicable, the insolvency risk and any contractual limitations on the indemnified amount.

With the exception of lease and insurance contracts, the assets acquired and liabilities assumed are classified and designated for subsequent measurement based on contractual agreements, economic terms, accounting and operating policies and any other conditions existing at the acquisition date.

The excess of the consideration given, plus the value assigned to non-controlling interests, over the net of the assets acquired and liabilities assumed is recognised as goodwill. Any shortfall, after evaluating the consideration given, the value assigned to non-controlling interests and the identification and measurement of net assets acquired, is recognised in profit or loss.

If it has only been possible to determine a business combination provisionally at the end of the reporting period, the identifiable net assets are initially recognised at their provisional amounts and adjustments made during the measurement period are recognised as if they had been known at that date. Comparative figures for the previous year are restated where applicable. In any event, adjustments to provisional amounts only reflect information obtained about facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amounts recognised at that date.

The potential benefit of the acquiree's income tax loss carryforwards and other deferred tax assets, which are not recognised as they did not qualify for recognition at the acquisition date, is accounted for as income tax income provided that it does not arise from a measurement period adjustment.

The contingent consideration is classified in accordance with the underlying contractual terms as a financial asset or financial liability, equity instrument or provision. Subsequent changes in the fair value of a financial asset or financial liability are recognised in consolidated profit or loss or other comprehensive income, provided that they do not arise from a measurement period adjustment. Contingent consideration classified as equity is not remeasured, and subsequent settlement is accounted for in equity.

Contingent consideration classified as a provision is subsequently recognised in accordance with the relevant measurement standard.

The cost of the business combination includes contingent consideration, if this is probable at the acquisition date and can be reliably estimated. Subsequent recognition of or changes to contingent consideration are recognised as a prospective adjustment to the cost of the business combination.

Non-controlling interests (minority interests)

Non-controlling interests in subsidiaries are recognised at the acquisition date in the amount of the proportionate share of the fair value of the identifiable net assets. Non-controlling interests in subsidiaries acquired prior to the date of first-time consolidation were recognised in the amount of the proportionate share of the equity of those subsidiaries at that date.

The consolidated profit for the year and changes in equity of the subsidiaries attributable to Alba and to non-controlling interests after consolidation adjustments and eliminations is determined in accordance with the percentage ownership at year end, without considering the possible exercise or conversion of potential voting rights and after discounting the effect of dividends, agreed or not, on cumulative preference shares classified in equity accounts. However, Group and non-controlling interests are calculated taking into account the possible exercise of potential voting rights and other derivative financial instruments which, in substance, currently allow access to the economic benefits associated with the interests held, such as entitlement to a share in future dividends and changes in the value of subsidiaries.

Profit or loss and each component of other comprehensive income are allocated to equity attributable to shareholders of the Parent and to non-controlling interests in proportion to their investment, even if this results in a balance receivable from non-controlling interests. Agreements entered into between the Group and non-controlling interests are recognised as a separate transaction.

b) Investment property (note 6)

Investment property and buildings used for rental purposes are initially recognised at cost, including transaction costs. These assets are subsequently measured at fair value, determined by independent experts in accordance with the following definition: “The price at which the building could be sold under private contract between a willing seller and an arm's length buyer on the date of valuation, it being assumed that the property is publicly exposed to the market, that market conditions permit orderly disposal and that a normal period, having regard to the nature of the property, is available for the negotiation of the sale”. Changes in fair value are recognised in the income statement for the period in which they arise. These investments are not depreciated.

b.1) Leases

Determination of whether a contract is, or contains, a lease is based on the economic substance of the agreement at the inception date thereof. The contract is analysed to determine whether its fulfilment depends on the use of an asset or specific assets or the agreement implies the right of use of an asset or assets, even though this right is not explicitly specified in the contract.

Leases in which the Group maintains substantially all the risks and rewards incidental to ownership are classified as operating leases. Contingent rents are recognised as income in the year in which they are obtained.

c) Property, plant and equipment (note 7)

In application of IFRS 1 First-time Adoption of International Financial Reporting Standards, buildings for own use were recognised on 1 January 2004 at fair value, determined by independent experts as defined in the previous note, considering this amount to be the cost of acquisition. This increase in value was credited to equity in the consolidated balance sheet.

The remaining property, plant and equipment are valued at cost of acquisition; interest and exchange differences are not included. Costs of expansion, modernisation or improvements which increase the productivity, capacity or efficiency or extend the useful lives of assets are capitalised as an increase in the cost of those assets.

Depreciation is provided on a straight-line basis, distributing the carrying amount of the assets over their estimated useful lives, in accordance with the following percentages:

	Annual depreciation rates
Buildings and constructions	2
Technical installations	8
Furniture and fixtures	10
Information technology equipment	25

If the carrying amount of an asset exceeds its recoverable amount, the asset is considered to be impaired and its carrying amount is immediately written down to its recoverable amount.

d) Intangible assets

d.1) Goodwill

Goodwill is determined using the same criteria as for business combinations (see note 5).

Goodwill is not amortised but is tested for impairment annually or more frequently where events or circumstances indicate that an asset may be impaired. Goodwill on business combinations is allocated to the cash-generating units (CGUs) or groups of CGUs which are expected to benefit from the synergies of the business combination and the criteria described in note 8 are applied. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

The recoverable amount of the assets is the higher of their fair value less costs of disposal and their value in use.

If the recoverable amount is less than the carrying amount of the asset, the difference is recognised under impairment losses in the consolidated income statement.

d.2) Customer portfolio

The relationships with customers that Alba recognises under customer portfolios are separable and based on a contractual relationship, thus meeting the requirements set out in prevailing legislation for consideration as intangible assets separate from goodwill. In general, these are customer service contracts that have been recognised in the allocation of fair values in business combinations.

The fair value allocated to customer contract portfolios acquired from third parties is the acquisition price.

The income approach was used to determine the fair value of intangible assets allocated in business combinations in the form of customer relationships; discounting the cash flows generated by these relationships at the date of acquisition of the subsidiary. Cash flows are estimated based on the sales, operating investments and EBITDA margins projected in the Company's business plans.

Customer portfolios are amortised on a straight-line basis over their estimated useful lives. The useful life is estimated based on indicators such as average length of relationship with customers or the average annual customer churn rate. The useful lives allocated to these intangible assets are reviewed at the end of each reporting period. The useful life of customer portfolios is between 10 and 15 years.

Customer portfolios are allocated to cash-generating units (CGUs) in accordance with their respective business segment and the country of operation.

d.3) Other intangible assets

These are intangible assets that were recognised in business combinations.

They are amortised on a straight-line basis over their estimated useful life, which is between 3 and 60 years.

Other intangible assets are allocated to cash-generating units (CGUs) in accordance with their respective business segment and the country of operation.

If an event or change in circumstances indicates that the carrying amount of assets subject to amortisation may not be recoverable, Alba determines whether impairment losses have been incurred. An impairment loss is recognised as the difference between the carrying amount of the asset and its recoverable amount. The recoverable amount is the higher of the fair value of the asset less costs of disposal, and value in use. For impairment testing purposes, assets are grouped at the lowest level for which separate identifiable cash flows can be identified (cash-generating unit, CGU). Impaired non-financial assets other than goodwill are reviewed at the end of each reporting period to assess whether the loss has been reversed.

e) Investments in associates (note 10)

Investments in associates are accounted for using the equity method from the date that significant influence commences until the date that significant influence ceases. However, if on the acquisition date all or part of the investment qualifies for recognition as non-current assets or disposal groups held for sale, it is recognised at fair value less costs of disposal.

Investments in associates are initially recognised at cost of acquisition, including any cost directly attributable to the acquisition and any consideration receivable or payable contingent on future events or on compliance with certain conditions.

The excess of the cost of the investment over the Group's share of the fair values of the identifiable net assets is recognised as goodwill, which is included in the carrying amount of the investment.

The Group's share of the profit or loss of associates is recognised as an increase or decrease in the value of the investments, with a credit or debit to share of the profit or loss for the year of associates. The Group's share of other comprehensive income of associates from the date of acquisition is recognised as an increase or decrease in the value of the investments in associates with a balancing entry in other comprehensive income based on the nature of the investment. The distribution of dividends is recognised as a decrease in the value of the investment. The Group's share of profit or loss, including impairment losses recognised by the associates, is calculated based on income and expenses arising from application of the acquisition method.

The Group's share of the profit or loss of an associate and of changes in equity is calculated without considering the possible exercise or conversion of potential voting rights.

Impairment is calculated by comparing the carrying amount of the net investment in the associate with its recoverable amount. The recoverable amount is the higher of value in use and fair value less costs of disposal. Accordingly, value in use is calculated based on the Group's share in the present value of estimated cash flows from ordinary operations and the income generated on final disposal of the associate.

Impairment losses are not allocated to goodwill or other assets implicit in the investment in associates derived from application of the acquisition method. In subsequent years, reversals of impairment of investments are recognised in profit or loss to the extent of any increase in the recoverable amount. Impairment losses are presented separately from the Group's share of profit or loss of associates.

f) Investments at fair value through profit or loss (note 11)

Investments held with the intention of not selling them in the short term and those held through venture capital companies are included in this line item pursuant to IAS 28.18.

They are recognised at fair value through profit or loss.

The fair value of investments in unlisted companies was determined using either the analysis of multiples of comparable companies or the discounted cash flow method, whichever was the most suitable method for each investment.

g) Non-current assets and liabilities held for sale (note 30)

Alba classifies non-current assets or disposal groups as non-current assets held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets or disposal groups are classified as held for sale, provided that they are available for sale in their present condition subject to terms that are usual and customary for sales of such assets and that the transaction is highly probable.

Alba does not depreciate non-current assets or disposal groups classified as held for sale, rather it measures them at the lower of the carrying amount and fair value less the costs of disposal.

Impairment losses on initial classification and subsequent remeasurement of assets classified as held for sale are recognised under profit or loss from continuing operations in the consolidated income statement, unless it is a discontinued operation. Impairment losses are allocated first to reduce the carrying amount of goodwill and then to reduce pro rata the carrying amounts of other assets in the unit.

Alba recognises gains arising from increases in the fair value less costs of disposal in profit or loss to the extent of the cumulative impairment previously recognised due to measurement at fair value less costs of disposal or to impairment of non-current assets.

h) Calculation of fair value (notes 6, 11 and 20)

Alba measures financial instruments and non-financial assets such as investment property at their fair value at the reporting date of the financial statements. Details of the fair value of financial assets measured at amortised cost are provided in note 20. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the transaction date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or most advantageous market must be a market that is accessible for Alba.

The fair value of an asset or a liability is calculated using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Alba uses valuation techniques appropriate to the circumstances and for which sufficient information is available to calculate the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All the assets and liabilities for which calculations or disclosures of their fair value are made in the financial statements are categorised within the fair value hierarchy described below, based on the lowest level input necessary for the calculation of the fair value measurement in its entirety:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input used that is significant for the calculation is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input used that is significant for the calculation is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, at the end of each year Alba reviews their categorisation (based on the lowest level input that is significant for the calculation of fair value as a whole) to determine whether there have been any transfers between the different levels of the hierarchy.

Alba determines the policies and procedures for recurring fair value calculations, such as investment property and unlisted financial assets.

For the valuation of significant assets and liabilities, such as investment property, financial assets and contingent consideration, internal and external valuers are used.

For the purposes of the required disclosures of fair value, the Group has determined the different classes of assets and liabilities based on their nature, characteristics, risks and fair value hierarchy as explained previously.

i) Loans and receivables (notes 12, 13 and 14)

The Group initially measures the financial assets included in this category (other financial assets and trade and other receivables) at fair value, which is the transaction price. In transactions with a due date within one year for which there is no contractual interest rate, dividends receivable and receivables on called-up equity instruments expected to be collected in the short term are measured at their nominal amount, as the effect of not discounting the cash flows is immaterial.

Subsequently these financial assets are measured at amortised cost and the interest accrued is recognised in the income statement using the effective interest method. At least once a year, and whenever there is objective evidence that a loan or receivable is impaired, Alba carries out impairment testing. Based on this analysis, Alba recognises the corresponding impairment losses where applicable.

The impairment loss on these financial assets is calculated as the difference between their carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate.

Impairment and reversals thereof are recognised as an expense or income, respectively, in the income statement. The loss can only be reversed up to the limit of the carrying amount of the receivable that would have been recorded at the reversal date had the impairment loss not been recognised.

j) Cash and cash equivalents (note 14)

This line item of the balance sheet includes cash on hand, demand deposits and other current highly liquid investments that are readily convertible to cash and subject to an insignificant risk of changes in value.

k) Financial liabilities (note 19)

Financial liabilities generally include loans and borrowings that are initially recognised at the cash amount received, less transaction costs. In subsequent periods they are carried at amortised cost using the effective interest method.

l) Own shares (note 15)

Own shares are recognised as a reduction in equity. No gain or loss is recognised for the purchase, sale, issue, redemption or cancellation of Alba's own equity instruments.

m) Provisions (note 17)

Provisions are recognised for present obligations arising from a past event when it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect of the time value of money is significant, the provision is discounted using a pre-tax rate. When discounted, increases in the provision due to the passage of time are recognised as a finance cost.

n) Income tax (note 22)

The income tax expense is calculated as the sum of current tax, calculated by applying the relevant tax rate to the taxable income or tax loss for the period, less any existing deductions and credits, plus any changes in recognised deferred tax assets and liabilities during the period. The income tax expense is recognised in the income statement, except when it relates to transactions recognised directly in equity, in which case the associated tax is also recognised in equity, or as part of a business combination with a charge or credit to goodwill.

o) Alternative pension plan schemes

Alba has three plans – two defined benefit plans and one defined contribution plan – which are externalised to insurance companies and require that contributions be made to a separately managed fund.

The Group recognises the contributions payable to a defined contribution plan in exchange for a service when an employee has rendered service to the Group. The amount of the contributions accrued are recognised as personnel expenses. If the contribution already paid exceeds the accrued expense, the Group only recognises the corresponding asset to the extent that the prepayments will lead to a reduction in future payments or a cash refund.

When contributions to a defined contribution plan are not expected to be paid in full within the 12 months after the end of the year in which the employees render the related service, they are discounted using the market yield on high quality corporate bonds.

The projected unit credit method was used to measure the obligation derived from pension commitments. With this method the benefits are financed as and when they are generated, based on the employee's years of service at the Company, so that the commitment is fully funded by the end of the employee's working life when they reach retirement age.

Past service cost is recognised in the consolidated income statement at the earlier of the following dates:

- When the plan amendment or curtailment occurs; and
- When the Group recognises related restructuring costs or termination benefits.

The discount rate of obligations and of assets intended to settle the commitments was determined considering the return on high quality corporate bonds with a similar maturity to the commitments measured, using German public debt as a benchmark.

The main assumptions used in 2023 and 2022 to measure defined benefit obligations were as follows:

	2023	2022
Mortality tables	PERM 2020_Col_1st_rank	PERM 2020_Col_1st_rank
Technical interest agreed in the policies	2.5%	2.5%
CPI growth	2.0%	2.0%
Pay rises	2.5%	2.5%
Changes in Social Security base	CPI + 1.20%	2.0%
Discount rate of obligations and of assets intended to settle the commitments	3.0%	3.7%
Retirement age	65	65

The changes in defined benefit plan obligations and the fair value of the assets associated with the benefit in 2023 and 2022 are as follows:

		Cost of commitments recognised in the income statement					
	01/01	Service cost	Interest income/(expense), net	Subtotal included in profit or loss	Obligations met (paid)	Actuarial gains/(losses)	31/12
2023							
Obligations under defined benefit plans	(10.9)	(0.5)	(0.4)	(0.9)	0.1	1.0	(10.7)
Fair value of plan assets	10.9	0.7	0.3	1.0	(0.1)	(1.1)	10.7
(Obligations)/Rights under defined benefit plans, net							-
2022							
Obligations under defined benefit plans	(18.8)	(0.9)	(0.2)	(1.1)	4.2	4.8	(10.9)
Fair value of plan assets	18.8	1.3	0.4	1.7	(4.2)	(5.4)	10.9
(Obligations)/Rights under defined benefit plans, net							-

The contribution expected to be made in 2024 in relation to defined benefit plans is Euros 0.6 million.

A sensitivity analysis of the main variables taken into account is shown below:

	Discount rate		Future pay rises	
Sensitivity level	+0.5%	-0.50%	+0.5%	-0.50%
2023				
Impact on the (Obligations) / Rights under defined benefit plans, net				
2022	-3.64%	4.20%	1.33%	-1.35%
Impact on the (Obligations) / Rights under defined benefit plans, net	-4.88%	5.70%	1.05%	-1.16%

The contributions related to both plans are recognised in the income statement and disclosed in note 25.a.

p) Share-based payment transactions

At 31 December 2023 and 2022 Alba has no share option schemes.

q) Recognition of income and expenses

Income and expenses are allocated on an accruals basis, irrespective of the timing of collections and payments and always taking into account the economic substance of the transaction.

Revenue represents amounts receivable for goods delivered and services rendered in the ordinary course of business, net of returns and discounts, and amounts received on behalf of third parties, such as value added tax. Revenue is recognised when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group. It is measured at the fair value of the consideration received or receivable.

Revenue is recognised when the customer obtains control of the goods or services sold, i.e. when the customer has the ability to direct the use of and obtain benefits from the goods or services. Depending on the commercial terms of sale, the transfer of control and risk relating to the goods may occur when the materials are dispatched from the Group's facilities or delivered to the customer. The Group takes these terms of sale into account in determining the timing of revenue recognition. Revenue from the sale of goods is recognised when control over the goods is transferred to the customer. Revenues associated with the rendering of services are recognised by reference to the stage of completion of the service at the reporting date; this occurs when revenues can be estimated reliably, it is probable that the benefits of the transaction will flow to the company and the stage of completion and the costs already incurred can be measured reliably.

Purchases, consumables used and changes in merchandise and raw materials, as well as work carried out by other companies, are included under supplies.

The Group has not made any significant judgements in determining the recognition of the revenue of any of the aforementioned subgroups.

The Group uses the five-step model to determine when revenue should be recognised and how much revenue should be recognised.

1. Identify the contract with the customer.

2. Identify the performance obligations in the contract.

3. Determine the transaction price.

4. Allocate the transaction price to the performance obligations.

5. Recognise revenue when a performance obligation is satisfied.

Revenue associated with the rendering of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period, provided the outcome of the transaction can be estimated reliably.

Lease income from investment property is recognised in the income statement on a straight-line basis over the term of the lease.

Interest income is recognised applying financial criteria, based on the outstanding portion of the principal, the time to maturity and the applicable effective interest rate.

Dividend income from investments is recognised when the right to receive it is recognised.

At 31 December 2023, in addition to the income from the lease of Alba's properties, the amount recorded under revenue includes the income contributed by the Nuadi, Facundo and Gesdocument subgroups during the first three months of the year. At 31 December 2022, the revenue of the Nuadi, Facundo, Gesdocument, Preving and Satlink subgroups was included.

The nature of the revenue of each of these subgroups in 2023 and 2022 is as follows:

- Satlink subgroup: Revenues are generated primarily from the sale of buoys for fishing activities and the provision of communications services.

- Nuadi subgroup: Revenues are generated primarily from the sale of stamped metal components, plates, electrical wiring and other brake accessories in the automotive sector.

- Preving subgroup: Revenues are generated primarily from the provision of occupational risk prevention services.

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- Facundo subgroup: Revenues are generated primarily from the sale of nuts, dried fruit and snacks.
- Gesdocument: Revenues are generated primarily from the provision of legal, employment and financial advisory services.

r) Right-of-use assets and lease liabilities

Assets are recognised under right-of-use assets and are classified based on the nature of the underlying asset. At the commencement date they are measured at the amortised cost of the contract, and subsequently they are measured at cost less any accumulated depreciation and impairment. These assets are depreciated on a straight-line basis over the term of the contract.

The lease liability reflects the fixed instalments agreed and the initial or future payments that are considered highly probable (direct costs related to start-up or penalties, among others), excluding from this calculation variable rent tied to the future measurement of a parameter. The liability is measured at amortised cost using the interest rate implicit in the lease agreement or, if this rate cannot be easily determined, the incremental interest rate payable by the Group for such an agreement.

The liability is discounted using the effective interest method and decreased by the payments made.

The Group remeasures the lease liability by discounting the lease payments at a revised discount rate, if there has been a change in the lease term or a change in the assessment of an option to purchase the underlying asset.

The Group accounts for a lease modification as a separate lease if the modification increases the scope of the lease by adding the right to use one or more underlying assets; and the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

5. Business combinations

Goodwill generated in 2023

The Group did not carry out any business combinations in 2023.

Goodwill generated in 2022

<u>Acquisition of 37.43% of the Facundo Group</u>

In June 2022, through Deyá Capital IV, SCR, S.A., Alba acquired 37.43% of the share capital of Disfasa, S.A. (parent of the Facundo Group) for Euros 21.9 million. The Facundo Group has its registered office in Spain and its principal activity is the production and distribution of nuts, dried fruit and snacks. The main reason for this business combination was that the venture capital management company, Arta Capital, SGEIC, S.A.U., controlled a majority interest.

Details of the consideration given, the fair value of the net assets acquired and goodwill are as follows:

Cash paid	21.9
Fair value of net assets acquired	19.0
Goodwill	2.9

The amounts recognised at the acquisition date, by significant class of assets and liabilities, were as follows:

	Carrying amount	Adjustments to fair value	Fair value
Intangible assets (goodwill)	40.1	-	40.1
Other intangible assets	24.0	33.5	57.5
Other property, plant and equipment	2.1	-	2.1
Cash	5.0	-	5.0
Receivables and other assets	8.3	-	8.3
Total assets	79.5	33.5	113.0
Loans and borrowings	(42.5)	-	(42.5)
Deferred tax liabilities	(6.0)	(8.4)	(14.4)
Payables and other liabilities	(5.4)	-	(5.4)
Total liabilities	(53.9)	(8.4)	(62.3)
		Net assets	50.7
		Non-controlling interest	(31.7)
		Net assets acquired	19.0

The intangible assets generated in the business combination relate in full to customer portfolios with useful lives ranging from 7 to 16 years.

In 2022 the acquiree generated revenue of Euros 14.9 million and consolidated profit of Euros 1.2 million for Alba from the acquisition date to the reporting date. Had the acquisition taken place on 1 January 2022, the Group's revenue and consolidated profit for the year ended 31 December 2022 would have amounted to Euros 29.8 million and Euros 7.8 million, respectively.

The fair value of this business combination was estimated by an independent third party. The recognition of this business combination was considered as definitive at 31 December 2022, since at the date of authorisation for issue of these consolidated annual accounts the valuation had been finalised. Therefore, Group management did not modify the fair value of the assets acquired in 2023.

Kroll Advisory, S.L. used the multiperiod excess earnings method (MEEM) to calculate the fair value of intangible assets, which determines the value of an asset based on the cash flows that are generated exclusively by the asset in question. The MEEM estimates the value as the present value of the earnings anticipated from ownership of the intangible asset in excess of the returns required on the investment in the contributory assets necessary to realise those earnings. It is based on the theory that all operating assets contribute to a company's profitability. Accordingly, if the estimated earnings associated with a company's specific asset are dependent on the use of the company's other assets, then the estimated excess earnings of the asset should include charges for the use of these contributory assets. This method was applied for the valuation of the customer portfolio, using a discount rate of 11.50%.

As a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U., the Group no longer exercises control over the Facundo Group, which is therefore no longer fully consolidated and is now carried at fair value (see note 2.3).

Acquisition of 46.79% of Gesdocument y Gestión, S.A.

In June 2022, through Deyá Capital IV, SCR, S.A., Alba acquired 46.79% of the share capital of Gesdocument y Gestión, S.A. for Euros 8 million. Gesdocument y Gestión, S.A. has its registered office in Spain, and its principal activity is the provision of tax, economic, financial, administrative, employment and accounting advisory services. The main reason for this business combination was that the venture capital management company, Artá Capital, SGEIC, S.A.U., controlled the entire ownership interest in this company.

Details of the consideration given, the fair value of the net assets acquired and goodwill are as follows:

Cash paid	8.2
Fair value of net assets acquired	2.1
Goodwill	6.1

The amounts recognised at the acquisition date, by significant class of assets and liabilities, were as follows:

	Carrying amount	Adjustments to fair value	Fair value
Intangible assets	4.3	-	4.3
Other property, plant and equipment	1.2	-	1.2
Cash	4.4	-	4.4
Receivables and other assets	3.1	-	3.1
Total assets	13.0	-	13.0
		-	
Loans and borrowings	(1.0)	-	(1.0)
Payables and other liabilities	(7.5)	-	(7.5)
Total liabilities	(8.5)	-	(8.5)
		Net assets	4.5
		Non-controlling interest	(2.4)
		Net assets acquired	2.1

In 2022 the acquiree generated revenue of Euros 7.3 million and consolidated profit of Euros 0.7 million for Alba from the acquisition date to the reporting date. Had the acquisition taken place on 1 January 2022, the Group's revenue and consolidated profit for the year ended 31 December 2022 would have amounted to Euros 13.8 million and Euros 0.2 million, respectively.

The estimate of the fair value of this business combination was calculated internally by Company management, considering that there are no differences between the carrying amount and the fair value of the assets acquired and liabilities assumed. The recognition of this business combination in the consolidated financial statements at 31 December 2022 was considered provisional, and any adjustments are to be made within one year from the date of acquisition. In 2023 Company management did not modify the fair value of the assets acquired, on considering such values definitive.

As a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U., the Group no longer exercises control over Gesdocument, which is therefore no longer fully consolidated and is now carried at fair value (see note 2.3).

6. Investment Property

This line item comprises buildings leased out. CBRE Valuation Advisory, S.A., a specialist in appraisals of this type of investments, valued these properties at 31 December 2023 and 2022. The valuation was performed according to the Property Appraisal and Valuation Standards and Observations Guide published by the Royal Institution of Chartered Surveyors in the United Kingdom, and is based on the discounted cash flow and comparables method.

The methodology used to calculate the market value consists of preparing 10 years' worth of income and expense projections for each asset, which will subsequently be updated at the reporting date using a market discount rate. The residual amount at the end of year 10 is calculated applying a rate of return ("exit yield" or "cap rate") to the net income projections for year 11. The market values thus obtained are analysed by calculating and analysing the yield capitalisation implicit in these values. The projections are aimed at reflecting the best estimate of future income and expenses of the real estate assets. Both the rate of return and the discount rate are defined in accordance with the domestic market and considering the conditions prevailing in the institutional market.

The valuation method used considers each property on an individual basis, without contemplating any adjustments in respect of the asset belonging to a large portfolio of properties. For each property a rent capitalisation rate considered to be a market rate has been assumed, which was subsequently adjusted based on the following parameters:

- The duration of the lease contract and the solvency of the tenant.
- The location of the premises within the municipality (centre, metropolitan area or periphery).
- The immediate surroundings of the property.
- The state of conservation of the property (external and internal).
- The distribution of the property's surface area between below ground and above ground.
- The facade looks onto one or more streets (corner, chamfer).
- The rental situation compared to market rent.

All of the Group's investment property is located in Madrid. Movement in this item is as follows:

Balance at 1-1-22	334.8
Increases	2.0
Decreases	(20.4)
Change in fair value	1.1
Balance at 31-12-22	317.5
Increases	3.1
Change in fair value	(19.4)
Balance at 31-12-23	301.2

The increases in 2023 and 2022 mainly related to improvements to the properties and the acquisition of several parking spaces amounting to Euros 0.4 million and Euros 0.2 million, respectively. In 2022 the Group sold a building in Madrid for Euros 22 million; this sale gave rise to a gain of Euros 1.6 million.

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

The most significant information regarding the leasable area at 31 December is as follows:

	2023	2022
Above ground surface area (m^2)	42,420	42,420
Leased area (m^2)	41,429	37,484
Occupancy rate (%)	97.7%	88.4%

A sensitivity analysis of the main variables taken into account when valuing all of Alba's investment property is provided below. The following table shows the potential variation in fair value of all the investment property in the event of a 10% decrease/increase in rent of all the buildings and in the event of a 25 b.p. decrease/increase in the rate of return ("exit yield"):

Year	-10% rent	EXIT YIELD + 25% b.p.	EXIT YIELD - 25% b.p.	+10% rent
2023	-5.71%	-5.61%	6.34%	7.64%
2022	-8.40%	-6.40%	4.90%	8.30%

The expenses related to the vacant area are not significant enough for disclosure.

Details of lease income are provided in note 24. At 31 December 2023 and 2022 lease income relating to the non-cancellable period, calculated up to expiry of the lease, is as follows:

	2023	2022
Less than one year	12.5	11.4
1-5 years	21.6	14.5
More than 5 years	4.4	2.1
TOTAL	38.5	28.0

Insurance policies are arranged to cover the risk of damage to these assets.

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

7. Property, Plant and Equipment

Movement in this balance sheet item is as follows:

	Buildings	Other property, plant and equipment	Total
Cost:			
Balance at 1/1/2022	29.4	37.3	66.7
Increases	3.2	8.6	11.8
Disposals	(3.0)	(9.3)	(12.3)
Business combinations (note 2.3)	2.1	1.2	3.3
Other movements (loss of control of Preving) (note 2.3)	(20.1)	-	(20.1)
Balance at 31/12/2022	11.6	37.8	49.4
Accumulated depreciation:			
Balance at 1/1/2022	(18.5)	(16.4)	(34.9)
Increases	(3.7)	(6.2)	(9.9)
Disposals	0.8	1.5	2.3
Other movements (loss of control of Preving) (note 2.3)	15.9	-	15.9
Balance at 31/12/2022	(5.5)	(21.1)	(26.6)
Provisions:			
Balance at 1/1/2022	(0.3)	-	(0.3)
Balance at 31/12/2022	(0.3)	-	(0.3)
Balance at 31/12/2022	5.8	16.7	22.5
Cost:			
Balance at 1/1/2023	11.6	37.8	49.4
Increases	-	0.3	0.3
Other movements (loss of control of Nuadi, Facundo and Gesdocument) (note 2.3)	(11.6)	(26.9)	(38.5)
Balance at 31/12/2023	0.0	11.2	11.2
Accumulated depreciation:			
Balance at 1/1/2023	(5.5)	(21.1)	(26.6)
Increases	-	(1.8)	(1.8)
Other movements (loss of control of Nuadi, Facundo and Gesdocument) (note 2.3)	5.5	13.0	18.5
Balance at 31/12/2023	0.0	(9.9)	(9.9)
Provisions:			
Balance at 1/1/2023	(0.3)	-	(0.3)
Other movements (loss of control of Nuadi, Facundo and Gesdocument) (note 2.3)	0.3	-	0.3
Balance at 31/12/2023	-	-	-
Balance at 31/12/2023	-	1.3	1.3

Insurance policies are arranged to cover the risk of damage to the various items of property, plant and equipment.

8. Goodwill

Movement in goodwill is as follows:

Balance at 1/1/2022	79.6
Acquisition of Gesdocument y Gestión, S.A. (note 5)	6.1
Acquisition of Facundo Group (note 5)	43.0
Loss of control of Preving subgroup (note 2.3)	(54.5)
Entry of Nuadi Group CGU	1.1
Balance at 31/12/2022	75.3
Loss of control of Nuadi, Facundo y Gesdocument and subgroups (note 2.3)	(75.3)
Balance at 31/12/2023	-

As a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U., the Group has ceased to exercise control over the Nuadi, Facundo and Gesdocument subgroups (see note 2.3) and, therefore, in 2023 all the goodwill that the Group held in relation to past acquisitions of these subgroups was derecognised.

Goodwill arising from new acquisitions in 2022 was allocated to new cash-generating units (CGUs) arising as a result of these acquisitions.

Goodwill is allocated to CGUs for impairment testing purposes. Goodwill is allocated to the CGUs that are expected to benefit from the business combination from which the goodwill arose.

The Group tests goodwill for impairment at the end of each reporting period, or earlier if there are indications of impairment, in accordance with the accounting policy described in note 4.d.1. At 31 December 2023 it was not necessary to perform an impairment analysis as the goodwill had been fully derecognised. No impairment losses were recognised on goodwill in 2022.

The recoverable amount of the various CGUs was determined on the basis of fair value calculations, based on the valuation report prepared by the independent external appraiser, Kroll Advisory, S.L. The method used to determine the recoverable amount was based on the discounted future cash flow method.

Financial projections (sales, EBITDA, investments, etc.) are based on the budgets (if any are available) and business plans of the companies themselves (which are the same as the CGUs), approved by their respective boards of directors. These projections are not published and were presented to the Group at board meetings. In any case, the reasonableness of the projections prepared by the companies is contrasted with different market comparables and the Group's own opinion based on its past experience. Financial projections are made for a five-year period.

The key valuation variables are as follows: Discount rate (WACC) and perpetual growth rate (g):

- The WACC is calculated using the capital asset pricing model (CAPM) generally accepted by the financial community, and on the basis of market variables obtained through Bloomberg, such as the rate of return on the 10-year bond or levered beta with respect to the benchmark stock market index. In addition, various internal estimates are used, such as: the spread for the Company's non-current debt in respect of the 10-year bond, the tax rate (same as for the cash flows used in the terminal value calculation) and the target capital structure.
- The perpetual growth rate is calculated based on each company and the market in which it operates.

9. Other Intangible Assets

As a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U., the Group has ceased to exercise control over the Nuadi, Facundo and Gesdocument subgroups (see note 2.3) and, therefore, in 2023 all the intangible assets that the Group held in relation to these subgroups were derecognised.

At 31 December 2023, all intangible assets comprised other intangible assets in the amount of Euros 0.1 million, of which Euros 0.4 million corresponds to cost and Euros 0.3 million to accumulated amortisation.

The amortisation expense for 2023, up to the loss of control, amounted to Euros 2.4 million.

Details of the cost and accumulated amortisation of each class of intangible asset at 31 December 2022 were as follows:

	Trademarks	Customer portfolio	Other intangible assets	Total
Cost	18.5	101.5	19.9	139.9
Accumulated amortisation	-	(14.7)	(1.5)	(16.2)
	18.5	86.8	18.4	123.7

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

10. Investments in Associates

The relevant information on companies included in this item is as follows:

	Assets		Liabilities			Consolidated Profit/(loss) Attributable to the Parent	Other comprehensive income
	Current	Non-current	Current	Non-current	Revenues		
Acerinox, S.A.							
2023	4.321,7	1.777,1	1.902,4	1.733,2	6.608,0	228,1	(146,6)
2022	4.415,7	1.902,4	1.947,1	1.823,3	8.688,5	556,1	172,5
Aegis Lux 2, S.à.r.l.							
2023	674.7	15,327.5	1,263.6	8,691.7	3,090.0	(280.2)	-
2022	732.2	15,459.4	1,157.9	8,634.6	2,827.0	(239.7)	-
CIE Automotive, S.A.							
2023	1,797.0	3,872.0	1,837.7	2,170.1	3,959.5	320.2	(91.2)
2022	1,848.4	3,795.0	1,990.5	2,148.3	3,838.6	300.1	24.2
Ebro Foods, S.A.							
2023	1,627.1	2,244.5	1,192.3	457.2	3,084.5	187.0	(29.8)
2022	1,669.2	2,231.0	869.9	832.1	2,967.7	122.1	40.3
Piolin II, S.à.r.l.							
2023	126.6	2,354.9	396.4	1,789.6	830.1	(119.0)	20.1
2022	149.7	2,369.9	297.5	1,830.7	820.5	8.9	(4.1)
Profand Fishing Holding, S.L.							
2023	414.0	364.6	339.2	283.7	913.7	0.2	-
2022	385.3	339.2	276.3	272.3	929.0	14.6	-
Rioja Luxembourg, S.à.r.l.							
2023	161.0	3,251.0	9.0	1,506.0	-	305.0	278.0
2022	100.0	2,818.0	28.0	1,576.0	-	260.0	249.0
Viscofan, S.A.							
2023	764.0	643.5	339.3	110.4	1,225.8	141.0	1.7
2022	720.5	624.2	325.7	112.1	1,201.0	139.4	40.8

Notification of shareholdings:

Notifications were issued concerning the acquisition, modification and disposal of interests in the share capital of the companies, in accordance with prevailing legislation.

	Purchases (%)		Sales (%)	
	2023	2022	2023	2022
CIE Automotive, S.A. (*)	-	0.62	-	-
Ebro Foods, S.A.	-	0.08	-	-
Acerinox, S.A. (*)	-	-	-	-
Indra Sistemas, S.A.	-	-	-	3.21
Viscofan, S.A.	-	0.28	-	-

(*) In 2023 the Group increased its interests in Acerinox, S.A. and CIE Automotive, S.A. by 0.77% and 0.31%, respectively, as a result of the redemption of own shares by both companies (see note 2.4).

a) Investments in associates in 2023

Variations in investments in associates in 2023 are as follows:

Company	Consolidated value 01/01/23	Profit/(loss) investees	Accrued dividends	Acquisitions / (disposals) and transfers	Changes in consolidated equity of associates	Impairment	Consolidated value 31/12/2023	Market value 31/12/2023
Acerinox, S.A.	636,9	42,6	(29,4)	-	(28,0)	-	622,1	512,5
Aegis Lux 2, S.à.r..l. (Verisure)	310,8	(22,3)	-	-	(5,4)	-	283,1	-
CIE Automotive, S.A.	401,1	43,8	(14,2)	-	(10,7)	-	420,0	420,9
Ebro Foods, S.A.	412,9	27,1	(12,7)	-	(11,4)	(45,2)	370,7	346,8
Piolin II, S.à.r.l. (Parques Reunidos)	105,4	(29,7)	-	-	0,7	-	76,4	-
Profand Fishing Holding, S.L.	81,2	(1,5)	-	2,3	(3,1)	3,1	82,0	-
Rioja Luxembourg, S.à.r.l. (Naturgy)	358,8	80,6	(1,6)	-	73,0	-	510,8	1.076,5 (*)
Viscofan, S.A.	344,6	20,2	(12,9)	-	-	-	351,9	355,2
TOTALES	2.651,7	160,8	(70,8)	2,3	15,1	(42,1)	2.717,0	

(*) Reflects the value of the indirect interest in Naturgy, net of the pro rata amount of Rioja debt.

The variations in consolidated equity in 2023 are due primarily to adjustments derived from currency translation, changes in the value of financial assets through equity, and variations in own shares.

At 31 December 2023, Alba recognised an impairment loss of Euros 45.2 million on the ownership interest in Ebro Foods, S.A. Alba also reversed in full the impairment of the interest in Profand Fishing Holding, S.L. of Euros 3.1 million recognised in 2022.

Profand Fishing Holding, S.L. was valued by Kroll Advisory, S.L., an independent expert, which has issued its corresponding report. The method used by the independent expert to determine the recoverable amount of this investment is based on discounted future cash flows.

Financial projections (sales, EBITDA, investments, etc.) are based on the budgets and business plans of the company itself, approved by its Board of Directors. These projections are not published and are presented to Alba at board meetings. The financial projections used in the valuation were for five years. In addition, the reasonableness of the Company's projections has been tested against various market comparables.

Key valuation variables: discount rate (WACC) and perpetual growth rate (g).

- The WACC rate has been calculated using the capital asset pricing model (CAPM) adjusted by an additional risk premium. The discount rate was calculated after tax.
- The perpetual growth rate has been calculated on the basis of a normalised cash flow based on the explicit projection of the last year (2028).

The most significant assumptions used in the valuation of Profand Fishing Holding, S.L. in 2023 were as follows:

	Profand Fishing Holding, S.L.
Perpetual growth rate	2.0%
Discount rate (WACC)	9.0%
Capital structure:	
Capital	72.0%
Debt	28.0%
Equity ratio	10.4%
Cost of debt after tax	4.7%

At 31 December 2023, a variation in the assumptions used to calculate fair value would have the following effects thereon:

Change	Profand Fishing Holding, S.L.
Weighted average cost of capital (WACC)	
+ 0.5%	-14.2%
- 0.5%	16.4%
+ 1%	-26.6%
- 1%	35.6%
Perpetual growth	
+ 0.2%	3.4%
- 0.2%	-3.3%
+ 0.4%	7.1%
- 0.4%	-6.4%

The associates whose quoted price at 2023 year end is lower than their carrying amount are as follows: Acerinox, S.A. and Ebro Foods, S.A. In these cases Alba's Investment Department calculates the value in use of each investment, which was reviewed by the Finance Department without involving any independent experts. The discounted cash flow method is used, subsequently subtracting the amount of net debt and non-controlling interests. The assumptions used in 2023 were as follows:

	Acerinox, S.A.	Ebro Foods, S.A.
Perpetual growth rate	1.8%	1.5%
Discount rate (WACC)	9.4%	7.2%
Capital structure:		
Capital	80%	80%
Debt	20%	20%
Equity ratio	10.7%	8.0%
Cost of debt after tax	4.4%	3.9%
Estimated value in use (€/share)	13.34	16.60

Financial projections (sales, EBITDA, investments, etc.) are based, where available, on the annual budgets and business plans of the investees themselves approved by their respective boards of directors. In the event of any subsequent updates or reviews of these business plans by the companies themselves, the latest available version is used. In most cases the budgets and business plans of the investees are internal and have not been announced to the market. In any case, the reasonableness of the projections is contrasted with and supplemented by consensus estimates available through platforms such as Bloomberg and Factset, historical data and the opinion of Alba's own team based on its past experience.

In theory, no adjustments are made to the projections prepared by the companies or to consensus estimates. However, it may be necessary to use internal estimates prepared by Alba in certain situations:

- When the existing projections, either those prepared by the companies themselves or consensus estimates, do not cover the minimum projected period required, established as at least five years, and it is necessary to extend the estimate to this minimum period.
- When the analysts' consensus sample is considered to be insufficiently representative because it consists of too few estimates. In general, the number of analysts that contribute to consensus estimates declines as the period gets longer, and the consensus ceases to be representative in the final years of the explicit period.
- Moreover, consensus estimates tend to be significant for sales and EBITDA, but less so for other relevant cash flow variables such as investments, the tax rate or the change in working capital. For these variables, own estimates are prepared based on a representative sample of analysts' estimates, the company's history, and the knowledge acquired by Alba through its presence on the respective boards of directors and its past experience in the company or similar companies.
- All internal estimates are contrasted with the Company's historical data and analysts' reports, where appropriate.

At 31 December 2023 financial estimates with a time horizon of five years (2024-2028) were used for all the associates analysed, subsequently calculating a terminal value on the basis of this explicit five-year period.

A summary of the main assumptions applied in the financial projections used in the explicit valuation period (2024-2028) for Acerinox, S.A. and Ebro Foods, S.A. is as follows:

- Revenue growth: Ebro Foods, S.A. shows moderate growth in the projected period. The expected cumulative annual growth rate for revenues in the explicit period is in line with the perpetual growth rate used. Conversely, Acerinox, S.A. reflects the dynamics of the cyclical sector in which it operates and, after the record results posted in 2022, revenues are expected to fall steadily until they return to normal levels.

- EBITDA margins: after the decline suffered in 2022, Ebro Foods, S.A. returned to profitability in 2023 thanks to more stable raw materials prices and lower transport and energy costs. A slight fall is foreseen in 2024 and 2025 before a return to normal levels. In Acerinox, S.A., the margin is expected to contract sharply in the 2023-2026 period until it reaches a normalised level in line with the historical average, and remain stable in the following years.

  The deviations between the revenue and EBITDA margin growth projections for Acerinox, S.A. and Ebro Foods, S.A. estimated for 2023 in the 2022 financial valuation and the results actually obtained by both associates in 2023 are shown below:

	Ebro Foods, S.A.	Acerinox, S.A.
Growth in sales	+4.7%	+3.7%
Change in EBITDA margin	-1.0 p.p.	-0.3 p.p.

In the case of Ebro Foods, in the valuation exercise carried out based on analysts' consensuses in December 2022, the amount of revenues estimated for 2023 was 4.7% lower than those reported. On the other hand, the EBITDA margin estimated for 2023 at December 2022 was 1.0 p.p. higher than that reported in 2023.

In the case of Acerinox, the amount of 2023 revenues estimated in the December 2022 valuation exercise, based on analysts' consensuses, was 3.7% lower than those reported at the end of 2023. On the other hand, the EBITDA margin estimated for 2023 at December 2022 was 0.3 p.p. higher than that reported in 2022.

The differences between the estimated and the actual results of Acerinox, S.A. and Ebro Foods, S.A. in 2023 have different causes. In the case of Acerinox, S.A., the cyclical, volatile nature of the international stainless steel market generally makes it difficult for both the company and analysts to draw up entirely accurate financial projections. In the case of Ebro Foods, S.A., the figures for 2023 were undermined by expectations of higher demand than that which materialised during the year, a difficult factor to foresee when the projections were drawn up.

- Investments (expressed as a percentage of sales): these are projected to remain stable in the explicit period in both companies, in line with the historical average. Historical averages do not include acquisitions and, likewise, the financial projections do not take into consideration acquisitions or sales of businesses.
- The tax rate applied ranges from 27.0% to 27.5%, as both companies have activities in jurisdictions where tax rates are higher than those in Spain (25.0%).
- The change in working capital assumes convergence with the historical data.

The WACC discount rate is calculated on the basis of the CAPM generally accepted by the financial community and based on the calculation of the following parameters:

- The CAPM —a method generally accepted by the investment community to calculate the expected return on an investment in an asset based on the risk assumed— is used to calculate the equity ratio. The variables necessary to calculate the return on equity were determined as follows:

- Risk-free rate: since the companies under analysis are of Spanish origin (Acerinox, S.A. and Ebro Foods, S.A.), the yield on the Spanish 10-year bond at the time of valuation is taken as the benchmark.

- Beta: calculated as the average of the betas of each of the companies with respect to the benchmark index (Ibex 35). The average of the betas calculated for different periods (one, three and five years) and different time frames (daily, weekly or monthly correlation) are used for the calculation.

- Market risk premium: historically calculated as a spread of 500 basis points over the risk-free rate used.

- Specific risk premium: an additional risk premium is added to the equity ratio in order to capture the higher risk of low liquidity of shares, for example. This additional risk premium is strictly based on Alba's internal estimates and contributes to raising the cost of equity to levels higher than would have resulted from the direct application of the WACC formula which, in Alba's view, would result in discount rates that are too low in an environment of rising interest rates and macroeconomic uncertainty. This risk premium has a similar effect to using an average historical return versus present value in the risk-free rate.

• The variables necessary to calculate the cost of debt after tax were calculated as follows:

- Risk-free rate: the greater of the yield of the Spanish 10-year bond or the Euribor 10-year swap is conservatively used to calculate the cost of debt. Both figures are obtained from public market sources (Bloomberg and/or Factset) when performing the valuations.

- Long-term credit spread: Drawing on its experience, Alba uses a different spread for each company based on its level of risk. This spread ranges between 200 and 350 basis points depending on the company. In addition, the resulting cost of debt is compared with the actual data of the investees (always lower than Alba's estimates) and with the available analysts' consensus.

- Tax rate: To calculate the cost of debt after tax, the same tax rate is used as the rate used to calculate the free cash flows for the terminal value of discounted cash flows. This rate is normally the general corporate income tax rate applicable to each company in Spain, adjusted in some cases for the estimated weight of activities in different jurisdictions.

- Based on the calculation of the equity ratio and the cost of debt after tax, the WACC is calculated by assuming a weighting of debt and equity following a target capital structure for each company.

In the valuations carried out at 31 December 2023, the cost of equity varies by company, between 8.0% (Ebro Foods, S.A.) and 10.7% (Acerinox, S.A.), while the WACC rate ranges from 7.2% (Ebro Foods, S.A.) to 9.4% (Acerinox, S.A.). These discount rates are in line with those used in previous years' valuations for these companies and have first been contrasted with the available analyst estimates and, more generally, with the historical information and experience of Alba.

A comparison of the equity ratio and 10-year bond yield with those in the prior year for investees with indications of impairment in 2023 is shown below:

Acerinox, S.A.	2023	2022
Cost of equity	10.7%	10.6%
10-year bond yield	3.0%	3.3%

Ebro Foods, S.A.	2023	2022
Cost of equity	8.0%	7.8%
10-year bond yield	3.0%	3.3%

After a significant increase in interest rates from mid-2022 and during 2023, the lower yield on the 10-year bond as of December 2023 reflects the expectation of a fall in rates in 2024. The beta coefficients and market risk premiums of associates remained virtually unchanged. However, the equity ratio of Acerinox, S.A. and Ebro Foods, S.A. rose with respect to the previous year's valuation due to the changes made to the specific risk premium, which showed the following progression compared to the previous year:

	2023	2022
Acerinox, S.A.	2.9%	2.5%
Ebro Foods, S.A.	1.5%	1.0%

In 2023, an increase commensurate with the fall in the Spanish 10-year bond yield was applied due to the expectation that interest rates would drop in 2024.

As indicated, applying this specific risk premium raises the cost of equity, thereby increasing the discount rate (WACC). To confirm the reasonableness of the resulting discount rates, Alba contrasts them with those used by analysts for each of the companies.

In order to calculate the terminal value, a normalised cash flow is used based on the explicit projection for the last year. This normalisation focuses exclusively on the long-term sustainable EBITDA margin assumption, since the other variables either do not have an impact (for example, it is always assumed that investments and depreciation are equal in the terminal value), they do not vary with respect to the explicit projections (for example, the tax rate remains constant throughout the explicit period) or they have a limited impact given that there are no significant variations between both.

The long-term sustainable EBITDA margin is estimated internally based on the projections used in the explicit period, the historical information available (for comparison) and the experience of Alba's team. The margin used in estimating cash flows for the terminal value is lower or, at most, stable with respect to the explicit period. If the estimated margin used to calculate long-term sustainable EBITDA were substantially higher than that of the last explicit year, it would indicate that the Company has not reached a sufficient level of maturity or stability and would lead us to reconsider our estimate of the terminal EBITDA margin or to extend the explicit projection period until that level were reached.

As in all the projections made for these valuations, the estimation and justification of these variables is contrasted with historical information and with a significant sample of recent analyst reports.

At 31 December 2023, the perpetual growth rate ranged from 1.5% to 1.8% per annum, in line with the most recent valuations of these same companies in the past. This variable was also contrasted with a significant sample of recent analyst reports and, as previously commented, there were no significant variations compared to previous valuations.

In 2023, the following sensitivity analysis was performed:

	Acerinox, S.A.	Ebro Foods, S.A.
Discount rate (WACC)		
Rate used in 2023	9.4%	7.2%
Rate to equal the carrying amounts	9.7%	7.2%
Perpetual growth		
Rate used in 2023	1.8%	1.5%
Rate to equal the carrying amounts	1.2%	1.5%
EBITDA margin used to calculate terminal value		
Rate used in 2023	8.8%	12.0%
Margin to equalize the carrying amounts	8.5%	12.0%
Variation in total sales to equal the carrying amounts	-6.3%	-
Variation in EBITDA margin to equal the carrying amounts	-0.2%	-

At 31 December 2023, a variation in the assumptions used to calculate value in use would have the following effect thereon:

Variation	Acerinox, S.A.	Ebro Foods, S.A.
Weighted average cost of capital (WACC)		
+ 0.25%	-2.9%	-5.0%
- 0.25%	3.1%	5.5%
+ 0.5%	-5.6%	-9.7%
- 0.5%	6.4%	11.5%
Perpetual growth		
+ 0.25%	1.6%	3.4%
- 0.25%	-1.5%	-3.2%
+ 0.5%	3.3%	7.2%
- 0.5%	-2.9%	-6.0%
EBITDA margin		
+ 0.5%	5.9%	6.2%
- 0.5%	-5.9%	-6.2%
+ 1%	11.8%	12.5%
- 1%	-11.8%	-12.5%

b) Investments in associates in 2022

The variations in investments in associates in 2022 were as follows:

Company	Consolidated value 01/01/22	Profit/(loss) investees	Accrued dividends	Acquisitions / (disposals) and transfers	Changes in consolidated equity of associates	Impairment	Consolidated value 31/12/2022	Market value 31/12/2022
Acerinox, S.A.	583,9	98,4	(38,5)	-	(6,9)	-	636,9	444,6
Aegis Lux 2, S.à.r..l. (Verisure)	345,8	(18,2)	-	-	(16,8)	-	310,8	-
CIE Automotive, S.A.	366,2	39,5	(12,6)	14,9	(6,9)	-	401,1	393,7
Ebro Foods, S.A.	401,9	17,7	(12,7)	1,9	4,1	-	412,9	327,6
Piolin II, S.à.r.l. (Parques Reunidos)	104,2	2,1	-	-	(0,9)	-	105,4	-
Profand Fishing Holding, S.L.	77,8	3,4	-	0,4	2,7	(3,1)	81,2	-
Rioja Luxembourg, S.à.r.l. (Naturgy)	247,5	68,7	(22,8)	-	65,4	-	358,8	896,0 (*)
Viscofan, S.A.	326,0	19,8	(12,1)	6,6	4,3	-	344,6	398,9
TOTALES	2.453,3	231,4	(98,7)	23,8	45,0	(3,1)	2.651,7	

(*) Reflects the value of the interest in Naturgy, net of Rioja debt.

The changes in consolidated equity in 2022 were due primarily to adjustments derived from currency translation, changes in the value of financial assets through equity, variations in own shares and transition adjustments resulting from the application of new accounting standards.

At 31 December 2022, Alba recognised an impairment loss of Euros 3.1 million on the ownership interest in Profand Fishing Holding, S.L.

Profand Fishing Holding, S.L. was valued by Kroll Advisory, S.L., an independent expert, which issued its corresponding report. The method used by the independent expert to determine the recoverable amount of this investment was based on discounted future cash flows.

Financial projections (sales, EBITDA, investments, etc.) were based on the budgets and business plans of the company itself, approved by its Board of Directors. These projections are not published and are presented to Alba at board meetings. The financial projections used in the valuation were for five years. In addition, the reasonableness of the Company's projections was tested against various market comparables.

Key valuation variables: discount rate (WACC) and perpetual growth rate (g).

- The WACC rate was calculated using the capital asset pricing model (CAPM) adjusted by an additional risk premium. The discount rate was calculated after tax.
- The perpetual growth rate was calculated on the basis of a normalised cash flow based on the explicit projection of the last year (2027).

The most significant assumptions used in the valuation of Profand Fishing Holding, S.L. in 2022 were as follows:

	Profand Fishing Holding, S.L.
Perpetual growth rate	2.0%
Discount rate (WACC)	9.3%
Capital structure:	
Capital	63.0%
Debt	37.0%
Equity ratio	11.9%
Cost of debt after tax	4.7%

At 31 December 2022, a variation in the assumptions used to calculate value in use would have the following effect thereon:

Change	Profand Fishing Holding, S.L.
Weighted average cost of capital (WACC)	
+ 0.5%	-13.5%
- 0.5%	15.5%
+ 1%	-25.3%
- 1%	33.3%
Perpetual growth	
+ 0.2%	3.4%
- 0.2%	-2.6%
+ 0.4%	7.0%
- 0.4%	-5.5%

The associates whose quoted price at 2022 year end was lower than their carrying amount were as follows: Acerinox, S.A., CIE Automotive, S.A. and Ebro Foods, S.A. In these cases Alba's Investment Department calculated the value in use of each investment, which was reviewed by the Finance Department without involving any independent experts. The discounted cash flow method was used, subsequently subtracting the value of net debt and non-controlling interests. The assumptions used in 2022 were as follows:

	Acerinox, S.A.	CIE Automotive, S.A.	Ebro Foods, S.A.
Perpetual growth rate	2.0%	2.0%	1.5%
Discount rate (WACC)	9.4%	8.6%	7.1%
Capital structure:			
Capital	80.0%	80.0%	80.0%
Debt	20.0%	20.0%	20.0%
Equity ratio	10.6%	9.6%	7.8%
Cost of debt after tax	4.6%	4.8%	4.1%
Estimated value in use (€/share)	15.54	33.17	18.64

The method used to calculate value in use in 2022 was the same as that used in 2023 described above in note 10 (a), "Investments in associates in 2023".

A summary of the main assumptions applied in the financial projections used in the explicit valuation period (2023-2027) for Acerinox, S.A., CIE Automotive, and Ebro Foods, S.A. is as follows:
S.A.

- Revenue growth: CIE Automotive, S.A. and Ebro Foods, S.A. show moderate growth in the projected period. Their expected cumulative annual revenue growth in the explicit period is slightly higher than the perpetual growth rate used in each case; growth is higher at the start of the period and converges with the perpetual growth rate in subsequent years. The higher initial growth at CIE Automotive, S.A. is due to the expected recovery in global car production, while at Ebro Foods, S.A. it is due to the strength of particularly resilient demand in periods of macroeconomic uncertainty, as well as the expected rise in prices in the first few years in an inflationary environment.

  Conversely, Acerinox, operating in a cyclical sector and having reached its all-time sales record last year, expects a steady fall in revenues until normal levels are reached.

- EBITDA margins: at Ebro Foods, S.A., after the drop in profitability recorded in 2022 in an environment of high raw material prices and other costs (energy, transport, etc.), slight growth is projected to reach a normalised level in line with the historical period (2015–2021) and at CIE Automotive, S.A., as it is currently at historical average profitability, margins are projected to remain stable. At Acerinox, S.A., the margin is expected to contract sharply in 2023 to a normalised level and remain stable in the following years.

The deviations between the 2022 revenue and EBITDA margin growth projections for Acerinox, S.A. and Ebro Foods, S.A. estimated in the 2021 financial valuation and the results actually obtained by both associates in 2022 are shown below:

	Ebro Foods, S.A.	Acerinox, S.A.
Growth in sales	+17.6%	+18.3%
Change in EBITDA margin	-1.4 p.p.	-0.4 p.p.

In the case of Ebro Foods, the 2022 revenues estimated in the December 2021 valuation exercise, based on the analysts' consensuses, was 17.6% lower than those reported at the end of 2022. On the other hand, the 2022 EBITDA margin estimated at December 2021 was 1.4 p.p. higher than that reported in 2022.

In the case of Acerinox, the 2022 revenues estimated in the December 2021 valuation exercise, based on the analysts' consensuses, was 18.3% lower than those reported at the end of 2022. On the other hand, the 2022 EBITDA margin estimated at December 2021 was 0.4 p.p. higher than that reported in 2022.

The differences between the estimated and actual financial figures recorded by Acerinox, S.A. and Ebro Foods, S.A. had different causes. In the case of Acerinox, the cyclical, volatile nature of the international stainless steel market generally made it difficult for both the company and analysts to draw up entirely accurate financial projections. The figures for Ebro Foods in 2022 were mainly affected by price increases during the year to pass on high cost and raw material inflation to the end customer, a positive exchange rate trend and a corporate transaction, all of which were difficult to foresee at the start of the year, when the projections were made.

- Investments (expressed as a percentage of sales): these are projected to remain stable in the explicit period in the three companies, in line with the historical average. Historical averages do not include acquisitions and, likewise, the financial projections do not take into consideration acquisitions or sales of businesses.

- The tax rate applied ranges from the general Spanish income tax rate of 25.0% to 27.5% for companies operating in jurisdictions with higher tax rates.

- The variation in working capital generally has little impact on these projections, and in any case remains in line with historical data.

In the valuations carried out at 31 December 2022, the cost of equity varies by company, ranging from 7.8% (Ebro Foods, S.A.) to 10.6% (Acerinox, S.A.), while the WACC rate ranges from 7.1% (Ebro Foods, S.A.) to 9.4% (Acerinox, S.A.). In the case of CIE Automotive, S.A., both figures were within the indicated ranges, with a cost of equity of 9.6% and a WACC of 8.6%. These discount rates were in line with those used in previous years' valuations for these companies and were contrasted first with the available analyst estimates and, more generally, with the historical information and experience of Alba.

The 10-year bond yield and the equity ratio for investees with indications of impairment in each of the periods are shown below:

Acerinox, S.A.	2022	2021
Cost of equity	10.6%	10.0%
10-year bond yield	3.3%	0.7%

Ebro Foods, S.A.	2022	2021
Cost of equity	7.8%	7.5%
10-year bond yield	3.3%	0.7%

CIE Automotive, S.A.	2022	2021
Cost of equity	9.6%	n/a
10-year bond yield	3.3%	0.7%

The equity ratios of Acerinox and Ebro (CIE Automotive was not valued in 2021 as it did not show indications of impairment) increased compared to the valuation performed in 2021, mainly due to the increase in interest rates reflected in the higher yield on the Spanish 10-year bond, as both the betas and the market risk premiums of the associates remained virtually unchanged.

However, the rise in equity was less than the rise in the Spanish 10-year bond yield due to changes made to the specific risk premium, the details of which are shown below:

	2022	2021
Acerinox, S.A.	2.5%	4.5%
Ebro Foods, S.A.	1.0%	3.5%
CIE Automotive, S.A.	2.5%	n/a

At 31 December 2022, the perpetual growth rate ranged from 1.5% to 2.0% per annum, with no variations compared to the most recent valuations of these same companies in the past. This variable was also contrasted with a significant sample of recent analyst reports and, as previously commented, there were no significant variations compared to previous valuations.

In 2022, the following sensitivity analysis was performed:

	Acerinox, S.A.	CIE Automotive, S.A.	Ebro Foods, S.A.
Discount rate (WACC)			
Rate used in 2022	9.4%	8.6%	7.1%
Rate to equal the carrying amounts	10.9%	10.2%	7.1%
Perpetual growth			
Rate used in 2022	2.0%	2.0%	1.5%
Rate to equal the carrying amounts	-1.0%	0.0%	1.4%
EBITDA margin used to calculate terminal value			
Rate used in 2022	9.0%	16.5%	13.0%
Margin to equalize the carrying amounts	7.5%	13.8%	12.9%
Variation in total sales to equal carrying amount	-14.1%	-15.9%	-0.5%
Variation in EBITDA margin to equal carrying amount	-1.0%	-2.0%	-0.1%

At 31 December 2022, a variation in the assumptions used to calculate value in use would have the following effect thereon:

Variation	Acerinox, S.A.	CIE Automotive, S.A.	Ebro Foods, S.A.
Weighted average cost of capital (WACC)			
+ 0.25%	-2.8%	-5.0%	-5.4%
- 0.25%	3.0%	5.3%	5.9%
+ 0.5%	-5.5%	-9.6%	-10.3%
- 0.5%	6.3%	11.1%	12.4%
Perpetual growth			
+ 0.25%	1.7%	4.4%	4.0%
- 0.25%	-1.6%	-4.1%	-3.6%
+ 0.5%	3.7%	9.2%	8.3%
- 0.5%	-3.2%	-7.9%	-7.0%
EBITDA margin			
+ 0.5%	5.1%	4.9%	5.5%
- 0.5%	-5.1%	-4.9%	-5.5%
+ 1%	10.1%	9.7%	10.9%
- 1%	-10.1%	-9.7%	-10.9%

11. Investments at Fair Value through Profit or Loss

The percentage ownership interest in investments at fair value through profit or loss at 31 December 2023 and 2022 is as follows:

	%	
Non-current, unquoted	2023	2022
Artá Capital Fund III, FCR	33.70	-
Atlantic Aviation Holding Corporation (1)	10.45	9.47
C. E. Extremadura, S.A.	1.01	1.01
Food Delivery Brands, S.A. (through Tasty Topco, S.C.A.)	3.13	3.13
Gesdocument y Gestion, S.A. (note 2.3)	46.53	-
Grupo Alvic FR Mobiliario, S.A. (through Folkstone, S.L.)	7.76	7.76
Grupo Disfasa, S.A. (Facundo Group) (note 2.3)	31.73	-
Grupo Nuadi Components, S.L. (note 2.3)	37.43	-
InStore Media Group, S.A.	18.89	18.89
March PE Global, SCR, S.A.	33.33	33.33
March PE Global II, SCR, S.A.	21.70	-
Marsala Activos, S.L.U. (Preving)	21.41	21.41
Monbake Grupo Empresarial, S.A. (through Tarasios Investments, S.L.)	3.70	3.70
Nature Topco UK Limited (2)	13.72	14.68
Topco Satlink, S.L.	7.20	7.20
Non-current, quoted		
Befesa Holding, S.à.r.l.	8.66	8.66
Global Dominion Access, S.A.	5.61	5.55
Technoprobe, Spa	5.23	3.26
Inmobiliaria Colonial, SOCIMI, S.A.	5.01	-

(1) Through this company, Alba holds an indirect interest in Atlantic Aviation FBO Inc.

(2) Through this company, Alba holds an indirect interest in ERM Worldwide Group Limited.

Dividends amounting to Euros 55.5 million (Euros 7.8 million in 2022) were received from these listed and unlisted investments in 2023.

Movement during 2023 and 2022 was as follows:

Balance at 01/01/22	973.3
Additions	210.3
Changes in fair value	164.5
Other movements	16.1
Balance at 31/12/2022	1,364.2
Additions	222.1
Changes in fair value	118.4
Reclassification from “other current financial assets”	79.8
Reclassification to “other current financial assets”	(10.7)
Other movements	57.2
Balance at 31/12/2023	1,831.0

In 2023, additions mainly reflect acquisitions of holdings in Technoprobe Spa (Euros 82.5 million), Inmobiliaria Colonial, SOCIMI,S.A. (Euros 77.4 million) and Artá Capital Fund III F.C.R. (Euros 8.7 million). The Group also reinvested the dividend received from Atlantic Aviation FBO Inc. amounting to Euros 44 million in the company itself.

Other movements include the recognition under this heading of the ownership interest in the Nuadi, Facundo and Gesdocument subgroups following the loss of control over them (see note 2.3).

The main increases in fair value in 2023 were in the ownership interests in Technoprobe Spa, Atlantic Aviation Holding Corporation and Inmobiliaria Colonial, SOCIMI, S.A. Conversely, the main decrease was in the interest in Befesa Holding, S.à.r.l. In 2022, the main increases were in the ownership interests in Atlantic Aviation Holding Corporation and Nature Topco UK Limited, partially offset by the decrease in value of the interests in Befesa Holding, S.à.r.l. and Global Dominion Access, S.A.

In 2023, the Group did not dispose of any investments held at 31 December 2022. However, it has classified its short-term investment in Inmobiliaria Colonial, SOCIMI, S.A. amounting to Euros 79.8 million under this heading.

In 2022, the additions related mainly to the acquisitions of shares in Technoprobe Spa and Befesa Holding, S.à.r.l. for Euros 115.2 million and Euros 57.5 million, respectively. Other movements included the recognition of the ownership interest in the Preving subgroup as a result of the loss of control over it (see note 2.3).

Also, during the first half of 2022 the Group sold its entire 3.21% equity investment in Indra Sistemas, S.A. Up to the sale date, the change in the fair value of this equity investment amounted to Euros 3.5 million, and the sale generated a gain of Euros 4.8 million, which was recognised under proceeds from disposal of and income from assets at 31 December 2022.

Also, in relation to the other investments held by the Group through Deya Capital IV, SCR, S.A.U. and which are also managed by Artá Capital, SGEIC, S.A.U., in 2023 and 2022 the valuations were carried out by Kroll Advisory, S.L., an independent expert, which issued the related report. One exception is the valuation of InStore Media Group, S.A., which is drawn up by personnel of Artá Capital, SGEIC, S.A.U. in charge of this. At 31 December 2022, the investment in Topco Satlink, S.L., which was acquired in 2022, was valued at its acquisition value, which coincides with its fair value.

The method used by the independent expert to determine the recoverable amount of these investments was based on discounted future cash flows.

Financial projections (sales, EBITDA, investments, etc.) are based on the budgets and business plans of the companies themselves approved by their respective Board of Directors. These projections are not published and are presented to Artá Capital at board meetings. In any case, the reasonableness of the projections prepared by the companies is contrasted with different market comparables and Artá Capital's own opinion based on its past experience. The financial projections have a five-year time frame for all the valuations performed.

Key valuation variables: discount rate (WACC) and perpetual growth rate (g).

- The WACC is calculated using the capital asset pricing model (CAPM) generally accepted by the financial community, and on the basis of market variables obtained through Bloomberg, such as the rate of return on the 10-year bond or levered beta with respect to the benchmark stock market index.
  In addition, various internal estimates are used, such as: the spread between the non-current debt of the Company and the 10-year bond, the tax rate (same as for the cash flows used in the terminal value calculation) or the target capital structure.
- The perpetual growth rate is calculated based on each company and the market in which they operate.

The assumptions used to calculate fair value are as follows:

	Grupo Alvic FR Mobiliario, S..A.	Marsala Activos, S.L.U. (Preving)	InStore Media Group, S.A.	Monbake Grupo Empresarial, S.A.	Grupo Nuadi Components, S.L.	Topco Satlink, S.L.	Grupo Disfasa, S.L. (Facundo)	Gesdocument y Gestion, S.A.U.
Dec-23								
Perpetual growth rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.1%	2.0%	2.0%
Weighted average cost of capital (WACC)	11.3%	11.5%	9.3%	10.0%	11.5%	12.5%	9.8%	12.0%
Dec-22								
Perpetual growth rate	2.0%	2.0%	2.0%	2.0%	n.a.	n.a.	n.a.	n.a.
Weighted average cost of capital (WACC)	11.7%	12.0%	12.6%	10.0%	n.a.	n.a.	n.a.	n.a.

Sensitivity analysis

At 31 December 2023, a change in the assumptions used to calculate the fair value of all the investments held by the Group through Deya Capital IV, SCR, S.A.U. and managed by Artá Capital, SGEIC, S.A.U. would have the following effect on the fair value (in millions of Euros):

2023	
Weighted average cost of capital (WACC)	
+ 0.5%	-14.3
- 0.5%	16.0
+ 1%	-27.1
- 1%	34.0
Perpetual growth rate	
+ 0.5%	11.5
- 0.5%	-10.3
+ 1%	24.5
- 1%	-19.6
EBITDA	
+ 5.0%	13.0
- 5.0%	-13.0
+ 10.0%	26.1
- 10.0%	-26.1

At 31 December 2022, a change in the assumptions used in the fair value calculation would have had the following effect on the fair value of all investments:

2022

Weighted average cost of capital (WACC)	
+ 0.5%	-7.3
- 0.5%	8.1
+ 1%	-13.9
- 1%	17.2
Perpetual growth rate	
+ 0.5%	5.5
- 0.5%	-5.0
+ 1%	11.7
- 1%	-9.5
EBITDA	
+ 5.0%	9.3
- 5.0%	-9.3
+ 10.0%	18.6
- 10.0%	-18.6

For the valuation of the investment in Food Delivery Brands, S.A. at 31 December 2022, the independent expert used the Monte Carlo simulation valuation model, which consists of carrying out numerous simulations of price changes over time, and converting the average of these simulations into the value of the underlying share discounted at the valuation date. The main assumptions used in the valuation at 2022 year-end were a volatility of 40% and an unlevered beta coefficient of 0.77. At 31 December 2023 this investment was fully impaired.

The valuations held by the Group through Alba-KKR Core I., S.C.A. have been performed by the global valuation committee of KKR, supported by Kroll Advisory, which provides assistance in the valuation process. KKR's global valuation committee is the body responsible for coordinating and implementing the process for the valuation of KKR investees worldwide.

Valuations are prepared and furnished, on a quarterly basis, to all investors in the various funds and vehicles invested in the two companies.

Moreover, these valuations are the same as those used by KKR itself in its financial statements, given that it invests part of its own balance sheet in the KKR Core Fund, a direct shareholder in both Atlantic Aviation and ERM. These accounts are audited by Deloitte, which reviews the valuations of the investees as part of the regular audit process. As a US listed entity, KKR is under the supervision of the Securities and Exchange Commission.

The methods used to determine the fair value of each investment were the discounted cash flows method and the market multiple approach.

The following variables are taken into account in the valuation process:

- Operational and financial metrics of the companies themselves.
- Specific trends in the sectors, economies and markets in which the companies operate.
- Specific developments in each of the companies.
- Market valuations of comparable companies.

Upon receipt of KKR's valuation, an internal benchmarking exercise is prepared and sensitivity analyses are performed on (i) the weighted average cost of capital (WACC); (ii) the Enterprise Value / LTM EBITDA exit multiple; and (iii) EBITDA margin, based on the discount rate and exit multiple used by KKR in its valuation.

The key assumptions used to test the fair value at 31 December 2023 and 2022 are shown below:

	Atlantic Aviation Holding Corporation	Nature Topco UK Limited
2023		
Weighted average cost of capital (WACC)	8.9%	10.6%
Enterprise Value/ LTM(1) EBITDA Exit Multiple	15.0x	16.0x
2022		
Weighted average cost of capital (WACC)	9.5%	11.6%
Enterprise Value/ LTM(1) EBITDA Exit Multiple	15.0x	16.0x

(1) LTM means "Last Twelve Months".

At 31 December 2023 and 2022, an aggregate change in the assumptions used for the fair value test would have the following effect on the fair value (in millions of Euros):

2023

Weighted average cost of capital (WACC)

+ 0.5%	-26.5
- 0.5% 27.1	

Enterprise Value/ LTM EBITDA Exit Multiple

+ 0.5%	38.7
- 0.5% -38.7	

EBITDA margin

+ 5.0%	21.9
- 5.0% -21.9	

2022

Weighted average cost of capital (WACC)

+ 0.5%	-23.1
- 0.5% 23.6	

Enterprise Value/ LTM EBITDA Exit Multiple

+ 0.5%	34.1
- 0.5% -34.1	

EBITDA margin

+ 5.0%	19.4
- 5.0% -19.4	

12. Other Non-current Financial Assets and Liabilities

Details of these items at 31 December 2023 and 2022 are as follows:

Other non-current financial assets	2023	2022
Loans to third parties	47.5	30.0
Guarantees deposited with public entities	1.4	1.6
Other financial assets	39.5	40.7
Balance at 31 December	88.4	72.3
Other non-current financial liabilities		
Other financial liabilities	27.4	20.6
Guarantees received from customers	2.7	2.2
Balance at 31 December	30.1	22.8

Loans to third parties comprise the value of long-term receivables from Profand Fishing Holding, S.L. amounting to Euros 30.2 million and from the Bergé Group amounting to Euros 17.3 million.

In June 2023, the Group signed a loan agreement with Profand Fishing Holding, S.L. for Euros 28.6 million for the acquisition of a production asset in the United States. The final repayment date of this loan is May 2030 and it accrues interest at market rates.

In 2021 the Group acquired 23.71% of Profand Fishing Holding, S.L.'s capital. As a result of this transaction, Alba and the other shareholder of Profand Fishing Holding, S.L., formerly the holder of Alba's current ownership interest, entered into a shareholders' agreement (which was amended in the first half of 2023) setting out a number of binding covenants and conditions relating to their rights and obligations, the terms on which Profand would be managed and governed and the arrangement to transfer the shares. In relation to the latter, among other agreements, Alba was granted a put option on all of its shares in Profand Fishing Holding, S.L., such that Alba holds a unilateral put option on this interest vis-à-vis the other shareholder for an amount agreed in advance. This put option will remain in force from 2025 until 28 October 2031. This option was valued at 31 December 2023 and 2022 by an independent expert, Kroll Advisory, S.L., and is recorded under other non-current financial assets in the consolidated balance sheet amounting to Euros 39.1 million (Euros 33.9 million at 31 December 2022), which generated an impact on the consolidated income statement for 2023 of Euros 5.2 million, recognised under change in fair value of financial instruments.

13. Trade and Other Receivables

Details at 31 December 2023 and 2022 are as follows:

	2023	2022
Trade receivables	0.3	23.9
Income tax withholdings and payments on account	13.6	45.1
Accrued dividends receivable	22.3	21.1
Other receivables	3.8	0.2
Prepaid expenses	-	2.7
Balance	40.0	93.0

The difference between the two years reflects the deconsolidation of Nuadi, Facundo and Gesdocument as a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U. (see note 2.3).

14. Other Current Financial Assets and Cash and Cash Equivalents

Financial assets reflect current cash placements (maturity of over 3 months) in the form of:

	2023	2022
Corporate promissory notes and bonds	68.0	267.6
Other financial assets	-	106.4
Balance at 31 December	68.0	374.0

Details of cash and cash equivalents at 31 December 2023 and 2022 are as follows:

	2023	2022
Cash on hand and at banks	85.1	47.9
Highly liquid current investments	252.8	150.4
Balance at 31 December	337.9	198.3

Current investments can be converted to cash within three months and do not pose a risk of a change in value. The amounts in this item accrue interest at a variable rate.

At 31 December 2022, the change in fair value of the financial assets recognised in these categories amounts to an expense of Euros 14.7 million.

15. Equity

At 31 December 2023 the share capital comprised 60,305,186 shares (59,245,174 shares at 31 December 2022), all of the same class and represented by book entries. The par value of each share is Euros 1, they are subscribed and fully paid, and have all been listed on the Spanish Stock Exchange Interconnection System (SIBE).

At their general meeting held on 19 June 2023, the shareholders of Corporación Financiera Alba, S.A. approved a bonus share capital increase at the Company to implement a scrip dividend. On 5 July 2023, the trading period for the allotment rights ended, through which the Company purchased 6,244,550 free allotment rights for Euros 6.0 million. This option was accepted by 10.5% of the holders of these rights. The final number of ordinary shares of Euros 1 par value each that were issued in the capital increase was X,XXX,XXX shares.

1.60.12 As a result of this capital increase, the share capital of Corporación Financiera Alba, S.A. is 60,305,186 shares of Euros 1 par value each. The new Company shares were admitted to trading on the stock exchange on 19 July 2023.

At their extraordinary meeting held on 29 November 2022, the shareholders of Corporación Financiera Alba, S.A. approved a bonus share capital increase at the Company to implement a scrip dividend. On 15 December 2022, the trading period for the allotment rights ended, through which the Company purchased 12,001,907 free allotment rights for Euros 11.9 million. This option was accepted by 20.6% of the holders of these rights. The final number of ordinary shares of Euros 1 par value each that were issued in the capital increase was 1,005,174 shares. In this respect, the new Company shares were admitted to trading on the stock exchange on 27 December 2022.

At the general meeting of Corporación Financiera Alba, S.A. held on 17 June 2019, the shareholders agreed to delegate the following powers to the Board of Directors:

- Approval of one or more increases in share capital, up to a total amount equal to half of the share capital, i.e. a maximum amount of Euros 29,120,000. The increases approved as a result of this delegation must be made through cash contributions within a maximum of five (5) years from the present day and must include pre-emptive rights. To date this power has not been used.

- Approval of one or more increases in share capital, up to a total amount equal to twenty per cent of the share capital, i.e. for a maximum amount of Euros 11,648,000. The increases approved as a result of this delegation must be made through cash contributions within a maximum of five (5) years from the present day and the Board of Directors has the power to remove the pre-emptive rights, provided the legal requirements in this respect are met. To date this power has not been used.

In no circumstances may the Board of Directors exceed the maximum amounts stipulated in the prevailing Spanish Companies Act.

Details of the direct and indirect interests of at least 3% reported to the Spanish National Securities Market Commission (CNMV) at 31 December 2023 are as follows:

Sharehold er	% ownership
Mr Carlos March Delgado	21.41%
Mr Juan March Delgado	19.69%
Banca March, S.A.	15.04%
Mr Juan March de la Lastra	8.78%
Mr Juan March Juan	5.09%
Ms. Catalina March Juan	4.64%
Ms. Gloria March Delgado	3.73%

Basic earnings per share are calculated by dividing profit for the year attributable to the ordinary shareholders of the Parent by the average number of outstanding shares in that year.

Diluted earnings per share are calculated by dividing profit for the year attributable to the ordinary shareholders of the Parent by the average number of outstanding shares in that year, plus the average number of ordinary shares that would be issued if all the financial instruments convertible into potentially ordinary shares were converted into those shares. Given that there are no financial instruments of this kind, basic earnings per share are the same as diluted earnings per share.

	2023	2022
Profit attributable to ordinary shareholders of the Parent		
	234.0	436.4
Discontinued operations	-	-
Profit attributable to ordinary shareholders of the Parent in respect of basic earnings	234.0	436.4
Interest of the holders of financial instruments convertible into ordinary shares	-	-
Profit attributable to ordinary shareholders of the Parent in respect of diluted earnings	234.0	436.4
Number of ordinary shares for basic earnings per share (*)	60,305,186	59,245,174
Dilution effect	-	-
Number of ordinary shares adjusted for dilution effect (*)	60,305,186	59,245,174
Earnings/(loss) per share (Euros/share)	3.88	7.37

(*) The average number of ordinary shares takes into account the weighted effect of changes in own shares during the year.

There have been no transactions involving ordinary shares between the reporting date and the date on which these consolidated annual accounts were authorised for issue.

Details of movement in non-controlling interests in 2023 are as follows:

	Balance at 1/1/2023	Profit/(loss)	Loss of control	Other	Balance at 31/12/2023
Alba Investments, S.à.r.l.	62.9	(3.5)	-	0.7	60.1
Artá Partners, S.A.	0.2	-	(0.2)	-	-
Nuadi subgroup	36.6	0.8	(37.4)	-	-
Facundo subgroup	35.9	0.7	(36.6)	-	-
Gesdocument y Gestión, S.A.	2.8	0.1	(2.9)	-	-
TOTAL	138.4	(1.9)	(77.1)	0.7	60.1

16. Capital Management Policy

Alba manages its capital with a view to ensuring its subsidiaries have sufficient economic resources to carry out their activities. In addition to managing the capital needed to cover the inherent risks of its activity in a rational and objective manner, capital is managed in such a way as to maximise shareholder return via an adequate balance between capital and debt.

Alba's leverage ratio at the 2023 and 2022 year ends was as follows:

	2023	2022
Loans and borrowings	514.5	550.7
Cash and cash equivalents	(337.9)	(198.3)
Total net debt	176.6	352.4
Equity	4,726.0	4,480.7
Equity + net debt	4,902.6	4,833.1
Leverage ratio	3.60%	7.29%

17. Provisions

Movement in this item in 2023 and 2022 is as follows:

	2023	2022
Balance at 1 January	0.4	0.6
Applications and releases	-	(0.2)
Balance at 31 December	0.4	0.4

18. Suppliers and Other Payables

Details at 31 December 2023 and 2022 are as follows:

	2023	2022
Suppliers	14.2	54.4
Public entities, other (note 22)	13.2	8.6
Salaries payable	6.1	10.1
Balance at 31 December	33.5	73.1

The difference between the two years reflects the deconsolidation of Nuadi, Facundo and Gesdocument as a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U. (see note 2.3).

Details of payments for commercial transactions made during the year and outstanding at year end in relation to the maximum legal payment terms established in Law 15/2010, amended by Law 11/2013 and Law 18/2022 are as follows:

Days	2023	2022
Average supplier payment period	19	56
Transactions paid ratio	23	59
Transactions payable ratio	59	45
Millions of Euros		
Total payments made	42.8	91.7
Total payments outstanding	7.1	61.8

	2023	2022
Amount of invoices paid within 60 days	41,743	46,162
Number of invoices paid within 60 days	1,491	16,712
Number of invoices paid within 60 days as % of Total invoices paid	84.67%	56.73%
Amount of invoices paid within 60 days as % of Amount of invoices paid	97.60%	66.38%

19. Loans and Borrowings

Non-current and current:

Details of current loans and borrowings, which mature annually, by maturity are as follows:

	At 31/12/2023		At 31/12/2022	
Bank	Maturity	Balance drawn down	Maturity	Balance drawn down
Current loans and credit facilities (CURRENT)				
Loans and credit facilities	2024	444.5	2023	389.0
		444.5		389.0
Non-current loans and credit facilities (NON-CURRENT)				
Syndicated loans and credit facilities	2025	70.0	2024 to 2028	161.7
	TOTAL	70.0	TOTAL	161.7

Bank borrowings cost from 0.2%–4.6% per annum.

Alba also has undrawn lines of financing at 31 December 2023 for a total amount of Euros 50.5 million (Euros 116.6 million at 31 December 2022).

An analysis of the maturities of non-current loans and borrowings (including interest) at 31 December 2023 and 2022 (in millions of Euros) is as follows:

2023	2025	TOTAL
	70.0	70.0

2022	2024	2025	2026	2027	2028	2028	TOTAL
	21.2	97.5	3.9	14.3	10.9	13.9	161.7

Loans and borrowings are reconciled to cash flows used in financing activities in the statement of cash flows as follows:

	Loans and borrowings
Balance at 01/01/2022	594.6
Additions to/exits from the consolidated Group	3.3
Cash flows from (used in) financing activities	(47.2)
Balance at 31/12/2022	550.7
Exits from the consolidated Group	(81.2)
Cash flows from (used in) financing activities	45.0
Balance at 31/12/2023	514.5

20. Fair Value Measurement

Details of assets and liabilities and their fair value measurement hierarchy at 31 December 2023 and 2022 are as follows:

	Total	Quoted price in active markets (Level 1)	Significant unobservable inputs (Level 3)
2023			
Assets measured at fair value			
Investment property (note 6)	301.2	-	301.2
Investments at fair value through profit or loss (note 11)	1,831.0	599.3	1,231.7
Assets whose fair value is disclosed			
Investments in associates (note 10)	3,682.3	2,711.9	970.4
Other non-current financial assets (note 12)	88.4	-	88.4
Other non-current receivables (note 2.3)	4.5	-	4.5
Trade and other receivables (note 13)	40.0	-	40.0
Other current financial assets (note 14)	68.0	-	68.0
Liabilities whose fair value is disclosed			
Loans and borrowings (note 19)	(514.5)	-	(514.5)
2022			
Assets measured at fair value			
Investment property (note 6)	317.5	-	317.5
Investments at fair value through profit or loss (note 11)	1,364.2	317.7	1,046.5
Assets whose fair value is disclosed			
Investments in associates (note 10)	3,483.6	2,460.8	1,022.8
Other non-current financial assets (note 12)	72.3	-	72.3
Trade and other receivables (note 13)	93.0	-	93.0
Other current financial assets (note 14)	374.0	106.4	267.6
Liabilities whose fair value is disclosed			
Loans and borrowings (note 19)	(550.7)	-	(550.7)

21. Risk Management Objectives and Policies

The Board of Directors of Corporación Financiera Alba, S.A. has drawn up the following Risk Management and Control Policy:

1.- Types of risk faced by the Company

Risk is inherent in all business activity and is defined as uncertainty concerning the occurrence of an event or action that could adversely affect the Company's ability to maximise its value for stakeholders and to achieve its goals; it also refers to the possibility of threats materialising and opportunities not being taken.

Corporación Financiera Alba engages in two principal activities:

(i) investment in the capital of listed and unlisted companies, and

(ii) investment in buildings leased as office space.

As a result of its activities, the markets and sectors in which it operates and its environment, the Company is exposed to the following categories of risks:

- Strategic risks related to the mission and vision of the Company, achievement of business goals and the creation and preservation of value for shareholders and other stakeholders.

  These include risks related to the corporate governance of the Company, its reputation and responsibility, investment and divestment strategies, and market dynamics.

- Operational risks involving potential direct or indirect economic losses related to external events: uncertainty in the Company's own business activities; or internal events: failures or inadequacies in the processes, systems or resources of the Company.

  These include risks related, mainly, to revenue, investments and divestments and monitoring thereof, the acquisition of goods and services, physical assets, human resources, information technologies, and natural disasters, terrorism and other criminal acts.

- Financial risks resulting, broadly speaking, from any financing operation which the Company must carry out in order to perform its activities, as well as the reliability of financial information reported by the Company.

  These include liquidity and credit risks, market, tax, accounting and reporting risks.

- Regulatory compliance risks arising from a potential failure to comply with laws, regulations, internal standards and codes of conduct, as well as greater exposure to such risks.

  These include legal risks, regulatory risks and risks involving codes of ethics and conduct.

- Technological, environmental and social risks, including risks associated with information technology, cybersecurity and technological obsolescence, climate change and employee health and safety.

2.- Integrated Risk Management System

Aware of the importance and advantages of adequately and efficiently managing its risks, Corporación Financiera Alba has established an Integrated Risk Management System mainly focused on:

- Enabling the identification and proactive and efficient assessment of Company risks, as well as monitoring and continually tracking these risks.

- Integrating, coordinating and directing the various risk management actions performed by the Company.

- Achieving responsible risk acceptance and reinforcing the responsibility of the Company's employees.

- Ensuring that control systems are aligned with the actual risks of the Company.

- Facilitating and streamlining the application of corrective measures.

The Integrated Risk Management System unites three key components:

(i) The continuous risk management process, understood as the activities performed by all individuals in the Company under the supervision of the Audit and Compliance Committee that are focused on identifying potential risk events, managing the risks identified and providing reasonable assurance that the Company will achieve its goals.

(ii) An organisational focus, with clearly defined and communicated roles and responsibilities. Integrated risk management affects all Company personnel; therefore it is vital to establish an organisational focus on risk management tailored to the organisational structure and corporate culture of the Company.

Although the Integrated Risk Management System affects and involves all Company personnel, the main participants are as follows: risk managers, the Risk Control and Management Department, the Audit and Compliance Committee and the Board of Directors.

(iii) A monitoring model, which identifies and provides the timely information needed so that all those involved in the risk management process can make informed decisions concerning the risks.

2.1. The continuous risk management process

By way of a summary, the continuous risk management process involves performing the following activities:

- Identifying and assessing the risks that could affect the Company.

  Determining the main strategic, operational, financial and regulatory compliance risks affecting the Company's strategy and goals, assessing the probability of occurrence and potential impact and prioritising risks based on these factors.

- Setting the level of risk that is considered acceptable.

  Defining key risk indicators (KRIs) for each critical risk and establishing tolerance levels for these risks.

- Identifying controls.

  Specifying existing controls (or those to be implemented) in the Company to mitigate the aforementioned risks.

- Identifying the processes in which these risks and controls arise.

  Determining the existing relationship between the Company's key risks – and its controls – and the Company's processes, identifying and analysing the processes that are critical for risk management.

- Assessing controls.

  Assessing the effectiveness of the controls in mitigating the risks identified.

- Designing and implementing action plans in response to the risks.

  Determining action plans to be carried out to lower residual risk to an acceptable risk level, bearing in mind the costs and benefits of such efforts. As a direct result of this reduction in the level of risk, a reassessment and prioritisation of the risks will be necessary and appropriate, as part of a continuous risk management process.

In this regard, Corporación Financiera Alba has prepared the Company's Risk Map, which shows, based on their impact and probability, the key risks in the categories listed above. In order for this map to be effectively used as a management tool that allows the Company to make informed decisions, the map is reviewed and updated periodically to adjust it to the Company's current circumstances.

Likewise, the Company has prepared Risk Indices for the most critical risks, identifying the key risk indicators with their corresponding tolerance levels, the associated controls and, where applicable, the action plans to be implemented. These Indices allow the Company to periodically assess and monitor its risks and to determine the most appropriate response to these risks.

2.2. Organisational model of roles and responsibilities

Although the Integrated Risk Management System affects and involves all Company personnel, the main players are as follows:

(i) Risk managers:

These managers are responsible for monitoring the risks assigned to them and for reporting to the Risk Control and Management Department any relevant information concerning the risks.

(ii) Risk Control and Management Department:

The Risk Control and Management Department is expressly tasked with the following duties:

- Ensuring the smooth running of the risk control and management systems and, specifically, that all the important risks affecting the Company are identified, managed and quantified correctly.
- Actively participating in preparing the risk strategy and important decisions concerning risk management.
- Ensuring that the risk control and management systems adequately mitigate risks, as part of the policy established by the Board of Directors.

(iii) Audit and Compliance Committee:

This body supervises, pursuant to the Regulations of the Company's Board of Directors, the effectiveness of the Company's internal controls and risk management systems, among other aspects.

Likewise, it discusses with the auditor any significant weaknesses in the internal control system detected during the audit.

(iv) Board of Directors:

As indicated previously, the Board of Directors has the power to determine the risk control and management policy, including for tax risks, and is tasked with supervising the internal reporting and internal control systems.

With regard to the risk management processes, it is noteworthy that, in addition to the aforementioned Risk Control and Management Department, Corporación Financiera Alba has Regulatory Compliance processes which are performed by the various operational and support departments, as well as an Internal Audit Service (SAI), defined as an advisory and control body serving the Audit and Compliance Committee, that is independent within the organisation as regards its actions, aimed at assessing the various areas and functional activities of the Company.

The duties of the Internal Audit Service include the analysis and proposal of recommendations to improve the risk management processes. The Internal Audit Service also performs independent assessments of the efficiency and effectiveness of internal controls, although this is always in coordination with the Risk Control and Management Department, in order to avoid duplicating tasks and/or areas existing without adequate coverage.

2.3. Monitoring and Reporting Model

The last component of the Integrated Risk Management System is a monitoring and reporting model capable of providing relevant information, in a timely and appropriate manner, to all players involved in the risk control and management process, both upwards and downwards in the hierarchy.

This cross-departmental monitoring model allows the System to behave dynamically and, above all, to anticipate risks, rendering risk management and control, within the limits set by the Company, possible.

Specifically, the Integrated Risk Management System established by Corporación Financiera Alba is a management, communication, monitoring and support mechanism for all activities related to risk control and management. It is vital for responding to individual risks and risks that are specific to each activity, while it provides the framework needed for coordinated management by the Company.

As mentioned in the Policy, the Group's activities are exposed to various financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk, and cash flow interest rate risk. The Group's Risk Management and Control Policy establishes the basic principles, guidelines and general framework for actions to control and manage the various types of risk (financial and non-financial) faced. The Group does not use derivatives to mitigate certain risks.

Market risk

Given the Group's activities, the exposure to market risk depends on the performance of the investees, whether listed or not.

- Currency risk
  The Group is exposed to currency risk through its investments in foreign currencies.
  At 31 December 2023 and 2022 the Group has direct investments in companies whose currency is not the Euro.
- Price risk
  The Group is exposed to price risk relating to equity instruments designated at fair value through profit or loss. To manage price risk derived from investments in equity instruments the Group diversifies its portfolio.
- Cash flow and fair value interest rate risks
  The Group's interest rate risk arises from non-current borrowings. Borrowings at variable interest rates expose the Group to cash flow interest rate risks. Fixed interest loans expose the Group to fair value interest rate risks.

The Group holds almost 100% of borrowings at variable interest rates.

At 31 December 2023 and 2022 the Group had not arranged any interest rate swaps.

Liquidity risk

The Group applies a prudent policy to cover its liquidity risks, based on having sufficient cash to settle all payments derived from its activity and to assure its objectives are met, underpinned by providing its subsidiaries with sufficient economic resources to carry out their activities.

The Group has a significant amount of cash and cash equivalents, as well as high positive working capital.

Its liquidity management is based on forecasting and analysing cash inflows and outflows.

At 31 December 2023 the Group's cash position amounted to Euros 337.9 million, of which Euros 85.1 million comprised cash in hand and at banks, and Euros 252.8 million reflected current deposits and investments that are readily convertible into cash and not subject to a risk of change in value.

The most significant cash outflows of the Group not related to expenses and investments are distributions of dividends to shareholders.

The Group's exposure to liquidity risk at 31 December 2023 and 2022 is shown in the debt maturity table in note 19.

Credit risk

The Group does not have significant concentrations of credit risk as its principal activity consists of investing in the capital of different companies. Credit risk arises from potential losses derived from customers or counterparties failing to meet, in part or in full, their financial obligations with the Group.

Details of credit risk exposure at 31 December 2023 and 2022, by type of asset and maturity, are as follows (in millions of Euros):

	2023		2022	
	Amount	Maturity	Amount	Maturity
Trade receivables	0.3	2024	23.9	2023
Other non-current financial assets	92.9	2024-2031	72.3	2023-2029
Other payables	26.1	2024	21.3	2023

22. Taxation

Corporación Financiera Alba, S.A., Alba Patrimonio Inmobiliario, S.A.U., Alba Europe, S.à.r.l., Alba Investments, S.à.r.l., and Deyá Capital IV, SCR, S.A.U. file taxes under the tax regime for groups of companies. At 31 December 2022, Artá Capital, SGEIC, S.A.U. and Artá Partners, S.A. were also part of this group. The rest of the Group's subsidiaries file their tax returns in accordance with the tax legislation applicable in each country.

The main components of income tax for the years ended 31 December 2023 and 2022 are as follows:

	2023	2022
Income tax for the year:		
Income tax expense for the year	3.4	0.6
Adjustments to income tax from prior years	2.9	-
Deferred tax:		
Source and reversal of temporary differences	0.8	-
Income tax expense/(income) recognised in the income statement	7.1	0.6
Consolidated statement of comprehensive income	-	-
Deferred tax related to items recognised directly in equity during the year	-	-

A reconciliation of the tax expense to the product of the accounting profit multiplied by the tax rate applicable to Alba for the years ended 31 December 2023 and 2022 is as follows:

	2023	2022
Pre-tax accounting profit from continuing operations	240.9	93.3
Pre-tax profit/(loss) of discontinued operations	-	-
Pre-tax accounting profit	240.9	93.3
Consolidation differences	-	-
Permanent differences (article 21 of LIS)	(262.0)	(146.3)
Temporary differences	37.7	(6.1)
Income tax expense/(income) in the consolidated income statement	7.1	0.6
Income tax attributable to discontinued operations	-	-

The most significant consolidation and permanent differences correspond to the share of the profit or loss for the year of associates, dividends received from associates, and the fair value of unlisted companies and investment property.

Movement in deferred tax assets and liabilities is as follows:

	01/01/2022	Additions/ (derecognitions)	31/12/2022	Additions/ (derecognitions)	31/12/2023
Deferred tax assets					
Retirement plan and other expenses	2.5	(1.6)	0.9	(0.7)	0.2
Total deferred tax assets	2.5		0.9		0.2
Deferred tax liabilities					
Gains on investment property	31.4	(5.2)	26.2	(6.7)	19.5
Other deferred tax liabilities	30.5	(1.1)	29.4	(23.9)	5.5
Total deferred tax liabilities	61.9		55.6		25.0

At 31 December 2023 and 2022 tax loss carryforwards amounting to Euros 16.6 million and Euros 20.0 million, respectively, have not been recognised in the accompanying consolidated balance sheet.

While 2023 and the four preceding years are open to tax inspection, any additional taxes that may arise from such inspections are not expected to be significant.

Details of the balance under "Public entities, other", in note 18 Suppliers and Other Payables, are as follows:

	2023	2022
Payment on account	-	1.0
Corporate income tax	9.4	3.7
Personal income tax withholdings	3.4	0.9
VAT and other	0.4	3.0
Total	13.2	8.6

The Group is taxed at a nominal rate of 25%.

23. Workforce

The average number of employees in each year, by category, is as follows:

	2023			2022		
	Male	Female	Total	Male	Female	Total
Executive board members	-	-	-	-	-	-
Directors	11	2	13	34	7	41
Heads of department	21	11	32	67	19	86
Administrative and other	89	72	161	436	499	935
Total	121	85	205	537	525	1,062

The number of employees at each year end, by category, is as follows:

	2023			2022		
	Male	Female	Total	Male	Female	Total
Executive board members	–	–	–	–	–	–
Directors	5	–	5	32	7	39
Heads of department	10	3	13	58	22	80
Administrative and other	15	19	34	350	356	706
Total	30	22	52	440	385	825

At 31 December 2023 the Company has no employees with a disability rating of 33% or more (13 employees at 31 December 2022).

The difference between the two years reflects the deconsolidation of Nuadi, Facundo and Gesdocument as a result of the loss of control of the venture capital management company Artá Capital, SGEIC, S.A.U. (see note 2.3).

24. Segment Reporting

Details of the revenues, profit/loss, assets and liabilities of the business segments for the years ended 31 December 2023 and 2022 are presented below.

The main segments reported by the Group are:

- Property rental: management, rental, and sale-purchase of the Group's investment property.

- Investments in transferable securities: business segment identified by the Group comprising investments in listed and unlisted companies involving significant influence and the generation of gains through investments and subsequent sales.

- Venture capital investments entailing control: business segment defined as the sum of the various activities carried out by the companies over which the Group has control. Specifically, they relate to the activities carried out by companies in which the Group has a direct ownership interest and which belong to vehicles managed by Artá Capital, SGEIC, S.A.U., which exercises control over said vehicle and determines what investments are made, whether there are no restrictions on management and whether they have exposure to variable returns. In 2023, this segment includes only the results contributed by the Nuadi, Facundo and Gesdocument subgroups in the first three months of the year (see note 2.3).

No transactions are carried out between the different segments.

Segment reporting 2023
(In millions of Euros)

	Rental of capital buildings property	Investment	Venture capital Venture entailing control	Income and expenses not allocated to segments	Total Group
Direct income and expenses of the segment					
Revenues	14.7	-	36.0	-	50.7
Supplies	-	-	(16.2)	-	(16.2)
Gains on disposal	-	2.5	-	-	2.5
Share of the profit/(loss) for the year of associates	-	160.8	-	-	160.8
Changes in fair value	(19.4)	125.0	-	-	105.6
Depreciation and amortisation	-	-	(3.4)	(0.8)	(4.2)
Impairment	-	(42.1)	-	-	(42.1)
Personnel expenses	-	-	(9.6)	(15.9)	(25.5)
Other operating expenses	(4.3)	-	(5.5)	(49.3)	(59.1)
Other income/(expenses)	-	-	-	2.4	2.4
Net finance income/(cost)	-	-	(2.1)	66.4	64.3
Profit/(loss) before taxes and non-controlling interests	(9.0)	246.2	(0.8)	2.8	239.2
Income tax					(7.1)
Profit/(loss) from continuing operations					232.1
Profit/(loss) attributable to non-controlling interests					1.9
Consolidated profit/(loss) for the year attributable to the Group					234.0
Assets and Liabilities					
Segment assets	302.6	4,548.9	-	-	4,851.5
Unallocated assets					539.0
Total assets					5,390.5
Segment liabilities	2.7	-	-	-	2.7
Unallocated liabilities					600.8
Total liabilities					603.5

Segment reporting 2022
(In millions of Euros)

	Rental of capital buildings	Investment property	Venture capital Venture entailing control	Income and expenses not allocated to segments	Total Group
Direct income and expenses of the segment					
Revenues	12.9	-	153.5	-	166.4
Supplies	-	-	(61.9)	-	(61.9)
Gains on disposal	1.8	9.3	36.4	-	47.5
Share of the profit/(loss) for the year of associates	-	231.4	-	-	231.4
Changes in fair value	1.1	191.6	-	(15.1)	177.6
Depreciation and amortisation	-	-	(17.0)	(1.1)	(18.1)
Impairment	-	(3.1)	-	-	(3.1)
Personnel expenses	-	-	(35.5)	(18.1)	(53.6)
Other operating expenses	(6.3)	-	(42.0)	(8.4)	(56.7)
Other income/(expenses)	-	-	-	0.5	0.5
Net finance income/(cost)	-	-	(6.1)	21.3	15.2
Profit/(loss) before taxes and non-controlling interests	9.5	429.2	27.4	(20.9)	445.2
Income tax					(0.6)
Profit/(loss) from continuing operations					444.6
Profit/(loss) attributable to non-controlling interests					(8.2)
Consolidated profit/(loss) for the year attributable to the Group					436.4
Assets and Liabilities					
Segment assets	319.0	3,759.4	264.1	-	4,342.5
Unallocated assets					980.6
Total assets					5,323.1
Segment liabilities	2.2	-	179.0	-	181.2
Unallocated liabilities					522.8
Total liabilities					704.0

Unallocated income and costs comprise overheads and other costs that cannot be allocated as pertaining to any of the three businesses.

Unallocated assets and liabilities mainly reflect other current financial assets and cash and cash equivalents.

Ordinary income relates to revenues from customer contracts. The breakdown of Group revenue by line of business and geographical market for 2023 and 2022 is as follows:

	2023			2022		
	Spain	Rest of the world	Total	Spain	Rest of the world	Total
Rentals	14.7	-	14.7	12.8	-	12.8
Electronic equipment and buoy communication in the fishing sector	-	-	-	12.0	4.1	16.1
Automotive brake accessories	7.6	16.2	23.8	28.6	61.4	90.0
Occupational risk prevention	-	-	-	25.3	-	25.3
Food	7.8	-	7.8	14.9	-	14.9
Consulting services	3.7	-	3.7	7.3	-	7.3
Other	0.7	-	0.7	-	-	-
TOTAL	34.5	16.2	50.7	100.9	65.5	166.4

At 31 December 2023, the above table includes only the revenues contributed by the Nuadi, Facundo and Gesdocument subgroups in the first three months of the year (see notes 2.3 and 4 (q)).

25. Other Income and Expenses

Details of the various items included under this heading in 2023 and 2022 are shown below.

a) Personnel expenses

	2023	2022
Salaries and wages	20.8	46.6
Social security payable by the Company	3.9	5.7
Alternative pension plan schemes	0.8	1.3
Balance at 31 December	25.5	53.6

b) Finance income

	2023	2022
Interest, dividends and other	77.5	21.5
Balance at 31 December	77.5	21.5

c) **Change in fair value of financial instruments**

At the 2023 and 2022 year ends this item reflects the change in fair value of investments at fair value through profit or loss (see note 11) and other financial assets recognised at fair value (see notes 12 and 14).

26. Related Parties

Details of the transactions carried out in 2023 and 2022 are as follows:

DESCRIPTION OF THE TRANSACTION	AMOUNT 2023	2022	RELATED PARTY
WITH SIGNIFICANT SHAREHOLDERS OF THE COMPANY			
Services	-	0.8	Banca March, S.A.
Dividends	0.7	5.9	Banca March, S.A.
WITH OTHER RELATED PARTIES			
Dividends and other distributions	14.2	12.6	CIE Automotive, S.A.
	1.6	22.8	Rioja Luxembourg, S.à.r.l.
	29.4	38.5	Acerinox, S.A.
	12.7	12.7	Ebro Foods, S.A.
	12.9	12.2	Viscofan, S.A.
Collaboration agreements	0.3	0.3	Fundación Juan March

27. Remuneration of the Board of Directors and Senior Management

The Company and its subsidiaries have recorded the following remuneration accrued by the members of the Board of Directors and Senior Management of Corporación Financiera Alba, S.A. (in thousands of Euros):

At 31 December 2023 and 2022 the Board of Directors comprised 10 members.

No loans were extended to members of the Board of Directors or Senior Management in 2023 or 2022.

	2023			
	No. of people	Salaries and other	Alba board meetings	Alternative pension plan schemes and insurance
External proprietary directors	3	1,621	1,827	-
External independent directors	6	-	862	-
Other external directors	1	1,621	147	-
Senior management	5	5,385	-	752
TOTAL		8,627	2,836	752

	2022			
	No. of people	Salaries and other	Alba board meetings	Alternative pension plan schemes and insurance
External proprietary directors	3	915	1,450	-
External independent directors	6	-	835	-
Other external directors	1	915	145	-
Senior management	7	5,227	-	678
TOTAL		7,057	2,430	678

As a result of the sale of Artá Partners (see note 2.3) the two members who were considered senior management of Alba but performed their duties in Artá no longer form part of the company, with senior management now comprising five members.

Details of the remuneration accrued by each Board Member in 2023 and 2022 (in thousands of Euros) are as follows:

2023	Fixed remuneration	Variable	Alba Group board meetings	Total remuneration
De Colmenares Brunet, Ignacio	-	-	130	130
Girón Dávila, Mª Eugenia	-	-	155	155
Guibert Ucin, María Luisa	-	-	125	125
March de la Lastra, Juan	-	973	580	1,553
March Delgado, Carlos	-	-	667	667
March Juan, Juan	-	648	580	1,228
Martínez-Conde Gutiérrez-Barquín, Santos	-	1,621	147	1,768
Pickholz, Claudia	-	-	155	155
Plaza Arregui, Ana María	-	-	147	147
Pradera Jáuregui, Antón	-	-	150	150
TOTAL BOARD	-	3,242	2,836	6,078

2022	Fixed remuneratio n	Variable	Alba Group board meetings	Total remuneration
De Colmenares Brunet, Ignacio	-	-	130	130
Girón Dávila, Mª Eugenia	-	-	150	150
Guibert Ucin, María Luisa	-	-	130	130
March de la Lastra, Juan	-	549	455	1,004
March Delgado, Carlos	-	-	540	540
March Juan, Juan	-	366	455	821
Martínez-Conde Gutiérrez-Barquín, Santos	-	915	145	1,060
Pickholz, Claudia	-	-	140	140
Plaza Arregui, Ana María	-	-	135	135
Pradera Jáuregui, Antón	-	-	150	150
TOTAL BOARD	-	1,830	2,430	4,260

In 2023 and 2022 no remuneration was paid to individuals representing Alba on boards or committees of companies in which Alba acts as a director company. In 2023 and 2022, Euros 170 thousand was paid in respect of public liability insurance premiums on behalf of the directors.

There were no changes in the Board of Directors in 2023 and 2022.

At the general meetings held in 2023, 2022 and 2021, the shareholders of Alba approved a multi-year variable remuneration scheme linked to Alba's net asset value for executive board members (as appropriate), directors representing Alba on the boards of subsidiaries, investees or related parties, and certain Company personnel selected by the Board of Directors, in order to foster more direct engagement in the process of creating value for the Company's shareholders.

The basic features of the scheme are as follows:

Approval	19/06/2023	20/06/2022	21/06/2021
Maturity	30/06/2026	30/06/2025	30/06/2024
Units assigned	179,070	164,050	204,500
Initial net asset value	94.38	89.37	80.42
Cap between initial and final net asset value	50%	50%	50%

The Company has assigned units to the beneficiaries which, upon maturity, will entitle them to receive remuneration equal to the result of multiplying these units by the difference between the "initial" and "final" net asset value of the shares of Corporación Financiera Alba, S.A. This calculation will be performed excluding own shares and without taking into account taxes resulting from the theoretical settlement.

There is also an annual variable remuneration component based on a number of parameters that enable an assessment of performance and the degree of fulfilment, as well as deferral of half of the accrued remuneration, which will be payable, together with the revaluation and dividends, in no less than five years as of the accrual date and no later than eight years after that date, whichever the beneficiary chooses.

Pursuant to the provisions of articles 227, 228, 229 and 231 of the Spanish Companies Act ("LSC"), as per the wording of Law 31/2014 of 3 December 2014, which amended the LSC in order to improve corporate governance, the Directors of Alba have informed Alba that, during the years ended 31 December 2023 and 2022 they had no conflicts of interest with Alba and, to the best of their knowledge and based on the information which they have been able to obtain with the utmost due diligence, nor did any parties related to them.

28. Audit Fees

In 2023, KPMG Auditores, S.L., the auditor of the Group's annual accounts, accrued fees totalling Euros 121.7 thousand, of which Euros 80.2 thousand were for audit services and Euros 41.5 thousand for assurance services on the Non-financial Information Statement, the limited review of the half-yearly consolidated financial statements, the agreed-upon procedures report on the ICOFR description, and translations of annual accounts previously authorised for issue by the Board of Directors and for which an audit opinion had already been issued.

29. Statement of Cash Flows

This statement has been prepared in accordance with International Accounting Standard 7.

The statement comprises three types of cash flow:

- Net cash flows from operating activities: operating cash flows of all the businesses managed by the Group.

- Net cash flows from investing activities: cash flows related to non-current investments in assets and the acquisition and disposal of equity instruments issued by other entities.

- Net cash flows from financing activities: cash flows used to purchase own shares, cash inflows from the use of external sources of financing, cash outflows as a result of the repayment of external financing, and dividend distributions.

30. Assets and Liabilities Held for Sale

At 31 December 2023 the Group does not own any non-current assets and liabilities held for sale.

At 31 December 2022, the Group classified all the assets and liabilities of Artá Capital, SGEIC, S.A.U. and Artá Partners, S.A. as non-current assets and liabilities held for sale. Although the sale took place in the first quarter of 2023, the decision was taken earlier. The disposal group consisted of assets of Euros 3.6 million (of which Euros 2.9 million was in cash and Euros 0.7 million in trade and other receivables) and liabilities of Euros 1.4 million (entirely composed of trade and other payables). In 2022 the Group did not recognise any impairment losses due to the carrying amounts being lower than fair value less costs to sell.

31. Events After the Reporting Period

No significant events have occurred after 31 December 2023.

CERTIFICATION OF THE ACCOUNTS

Mr Javier Fernández Alonso and Mr Carlos Ortega-Arias Paz, Managing Directors, and Mr Félix Montes Falagán, CFO, of Corporación Financiera Alba, S.A. certify that the consolidated annual accounts for the year ended 31 December 2023, which are presented to the Company's Board of Directors for authorisation, are complete and give a true and fair view of the consolidated equity and consolidated financial position of the Group at 31 December 2023, and of the consolidated results of its operations and changes in consolidated equity and consolidated cash flows of the Group for the year then ended, and that they include the financial statements of all consolidated investees, in accordance with applicable mercantile and accounting legislation.

Javier Fernández Alonso Managing Director	Carlos Ortega-Arias Paz Managing Director

Félix Montes Falagán
CFO

AUTHORISATION OF THE ACCOUNTS

The Board of Directors approved the authorisation for issue of these annual accounts at its meeting held on 18 March 2024. The accounts will be subject to verification by the auditor and subsequent approval by the shareholders at their general meeting. They comprise 91 pages, excluding this page, all of which have been signed by the Secretary to the Board.

DECLARATION OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT

The members of the Board of Directors of Corporación Financiera Alba, S.A. hereby confirm that, to the best of their knowledge, the individual and consolidated annual accounts for 2023, which were authorised for issue on 18 March 2024 and were prepared in accordance with the applicable accounting standards, give a true and fair view of the consolidated equity and consolidated financial position of Corporación Financiera Alba, S.A. at 31 December 2023, and of the consolidated results of its operations and changes in consolidated equity and consolidated cash flows of Corporación Financiera Alba, S.A. and the companies included in the consolidated Group as a whole for the year then ended, and that the individual and consolidated directors' reports include a fair analysis of the business performance and results, as well as of the position of Corporación Financiera Alba, S.A. and the companies included in the consolidated Group as a whole, together with a description of the main risks and uncertainties faced.

Carlos March Delgado Chairman	Juan March de la Lastra 1st Vice-chairman
Juan March Juan 2nd Vice-chairman	Ignacio de Colmenares Brunet Board member
María Luisa Guibert Ucin Board member	María Eugenia Girón Dávila Board member
Claudia Pickholz Board member	Santos Martínez-Conde Gutierrez-Barquín Board member
Antón Pradera Jaúregui Board member	Ana María Plaza Arregui Board member
José Ramón del Caño Palop Non-board member secretary	

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

CONSOLIDATED DIRECTORS' REPORT OF CORPORACIÓN FINANCIERA ALBA, S.A. AND SUBSIDIARIES FOR 2023

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

CONSOLIDATED DIRECTORS' REPORT

FOR 2023

1. Business performance and position of the Company

The consolidated annual accounts at 31 December 2023 give a true and fair view of the Group's equity, financial position, results of operations, changes in equity and cash flows for the year then ended, and have been authorised for issue by the Company's directors.

The non-financial information statement is attached as an appendix to this directors' report, of which it forms an integral part, and has been prepared in accordance with the requirements of Law 11/2018 of 28 December 2018, amending the Spanish Code of Commerce, the Revised Spanish Companies Act approved by Royal Legislative Decree 1/2010 of 2 July 2010 and Audit Law 22/2015 of 20 July 2015, on non-financial and diversity information.

During 2023, the Alba Group's activities comprised the following:

* Management of a number of controlling and influential interests in a series of companies operating in different sectors of the economy.

* Promotion and holding of interests in companies.

* Operation of buildings through lease or sale.

Alba recognised consolidated net profit of Euros 235 million in 2023, compared to Euros 436 million in the previous year. This decline is mainly due to the weaker performance of certain of our investees, the decrease in the fair value of investment property, lower capital gains on the sale of assets and the impairment loss posted by one of our investees. In addition, as a result of the sale of the stake in the venture capital management company Artá Capital, Nuadi, Facundo Group and Gesdocument ceased to be fully consolidated as of the second quarter of 2023.

Net asset value (NAV) rose by 9.6% in the year to Euros 5,797 million at 31 December 2023, equivalent to Euros 96.12 per share. Alba's share price ended the year at Euros 48.00 per share, after climbing 11.2%.

During this period, Alba invested Euros 209 million and sold assets totalling Euros 34 million, reducing its net cash position to Euros 16 million at 31 December 2023.

A released share capital increase was approved in June to implement a flexible dividend for a total of Euros 57 million, the result of which was as follows: (i) Alba acquired a total of 6,244,550 free allotment rights for Euros 6 million, representing 10.5% of the total; (ii) a capital increase of Euros 51 million was carried out through the issue of 1,060,012 new ordinary shares with a par value of Euros 1 each (option chosen by the remaining 89.5% of the shareholders). As a result, Alba's share capital was represented by 60,305,186 shares of Euros 1 par value each at 31 December 2023.

2. Most significant transactions

Alba made the following investments:

- Acquisition of an additional 2.0% stake in Technoprobe for Euros 83 million. Technoprobe, an Italian company, is a worldwide leader in the design and manufacture of probe cards, complex electro-mechanical interfaces used in microchip testing during the integrated circuits production process.
- Acquisition of an additional 2.5% stake in Inmobiliaria Colonial for Euros 77 million. Inmobiliaria Colonial is a Spanish REIT focused on the operation and development of buildings for rent, with a strong presence in the high-quality office rental business in the prime and CBD (Central Business District) areas of Paris, Madrid and Barcelona.
- Subordinated loan of Euros 29 million to Profand for the acquisition of a production asset in the United States.
- Other investments totalling Euros 20 million.

The following divestments were undertaken:

- Sale of investments from the trading portfolio for a total of Euros 28 million.
- Sale of its entire interest (77.1%) in the share capital of Artá Partners, the owner of 100% of the shares of Artá Capital, SGEIC, S.A.U., for Euros 6 million.

3. Outlook for the Company

Alba's foremost objective is to ensure that its investees achieve maximum profitability, improving their competitiveness and enhancing their human, financial and technological potential. Furthermore, the Company's financial structure, size and flexibility will enable it to take advantage of investment opportunities that may arise.

Performance of the main investees:

- Acerinox posted sales of Euros 6,608 million, 23.9% down on 2022 due to the considerable sector-wide decline in inventories, primarily stainless steel, commencing at the end of the previous year. Meanwhile, the high performance alloys sector performed adequately (up 13.9% on 2022). In comparison with 2022, steel production fell by 11.3% to 1.9 million tonnes, while cold rolling was down by 15.0% to 1.2 million tonnes. Annual EBITDA dropped to Euros 703 million, 45.0% down on the prior year due primarily to the aforementioned fall in revenues suffered by the Stainless Steel division. The performance of the Special Alloys division (VDM) remained solid, with EBITDA hitting an all-time high. Net profit totalled Euros 228 million (59.0% down on 2022), affected by the impairment loss of Euros 156 million recognised at Bahru Stainless. Lastly, net financial debt at 31 December 2023 was down to Euros 341 million (0.5 times EBITDA for the year). On 5 February 2024, Acerinox announced an agreement to acquire 100% of US special alloys producer Haynes International for USD 798 million. The acquisition is expected to be completed in the third quarter of this year.
- CIE Automotive's revenue amounted to Euros 3,959 million in 2023, representing a 3.1% increase on 2022, bolstered by the pick-up in demand, enabling the business to perform well in all locations except for Asia. EBITDA rose to Euros 713 million (12.6% higher than in 2022) and the margin was expanded to 18.0% (+1,5 p.p. vs. 2022). Despite the rise in finance costs, net profit grew by 6.7% to Euros 320 million. Net financial debt at 31 December 2023 amounted to Euros 1,135 million, 1.6 times EBITDA for the year.
- Ebro Foods posted sales of Euros 3,084 million in 2023, up 3.9% on the prior year, driven by growth in the Rice (+4.9%) and Pasta (+0.1%) divisions, the latter in line with the previous year's performance. EBITDA increased to Euros 387 million, up 15.7% on 2022, with a considerable increase in margin (up 1.2 p.p. vs. 2021), thanks to more stable raw materials prices and lower transport and energy costs. Meanwhile, net profit amounted to Euros 187 million, reflecting an increase of 53.2% on 2022, when profit was affected by the loss incurred on the sale of Roland Monterrat. Net financial debt had fallen to Euros 570 million (1.5 times EBITDA for the year) at 31 December 2023, thanks to a sound operating performance and reduced working capital requirements.

- Naturgy achieved sales of Euros 22,617 million in 2023, down 33.4% on 2022, as energy prices returned to normal levels following the unprecedented increase in 2022 as a result of the conflict in Ukraine. EBITDA in 2023 amounted to Euros 5,475 million, up 10.5% on the prior year, driven by the strong performance of both liberalised and regulated international activities. Net profit amounted to Euros 1,986 million in 2023, up 20.4% on 2022 thanks to the sound EBITDA performance mentioned above and the positive trend observed in respect of net finance income, due to the reduction in average debt in the period, despite the rise in interest rates. Net financial debt at 31 December 2023 amounted to Euros 12,090 million (2.2 times EBITDA for the year).
- Verisure, a company that also operates under the "Securitas Direct" trademark, achieved revenues of Euros 3,090 million in 2023, up 9.3% on 2022, driven by growth in the customer portfolio and a rise in the ARPU (up 1.8% vs. 2022). Adjusted EBITDA of the customer portfolio amounted to Euros 1,885 million, up 11.3% vis-à-vis 2022. Total adjusted EBITDA reached Euros 1,340 million, which is 16.4% higher than in the previous year. Net profit totalled Euros 29 million, down 31.7% on 2022. Net financial debt at 31 December 2023 amounted to Euros 7,408 million (5.3 times adjusted EBITDA for the annualised last two quarters).
- Viscofan sales grew by 2.1% to Euros 1,226 million compared to the previous year, due mainly to the improved selling price mix. EBITDA stood at Euros 268 million, representing a slight increase on 2022 (+0.5%), driven by the performance of revenues and cost control, which offset the lower profits from cogeneration activities and the negative impact of exchange rate fluctuations against the Euro. Net profit totalled Euros 141 million, up 1.1% on the prior year. At 31 December 2023, Viscofan recognised net bank debt of Euros 138 million (0.5 times EBITDA for the year), compared to Euros 101 million at the end of 2022, in light of the increase in working capital and payment of dividends.

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4. Investment portfolio

Alba's portfolio at 31 December 2023 is as follows:

	% ownership interest	Fair value (1)
LISTED SECURITIES		**3,311**
Acerinox	19.29	513
Befesa	8.66	122
CIE Automotive	13.66	421
Ebro Foods	14.52	347
Global Dominion	5.61	28
Inmobiliaria Colonial	5.01	177
Naturgy (2)	5.44	1,076
Technoprobe	5.23	272
Viscofan	14.25	355
Total stock market value		**3,311**
Total carrying amount	**2,869**	
Unrealised gain	**442**	
UNLISTED SECURITIES		**2,116**
Atlantic Aviation	10.45	
ERM	13.72	
Parques Reunidos	24.98	
Profand	23.71	
Verisure (net of non-controlling interests)	6.23	
Deyá Capital and others		
Properties		**317**

(1) Closing price at 31 December 2023 for listed companies, external valuation at 31 December 2023 for unlisted companies (except In-Store Media, for which internal valuation is used) and for real estate.
(2) Includes an indirect interest of 5.33% and a direct interest of 0.11%.

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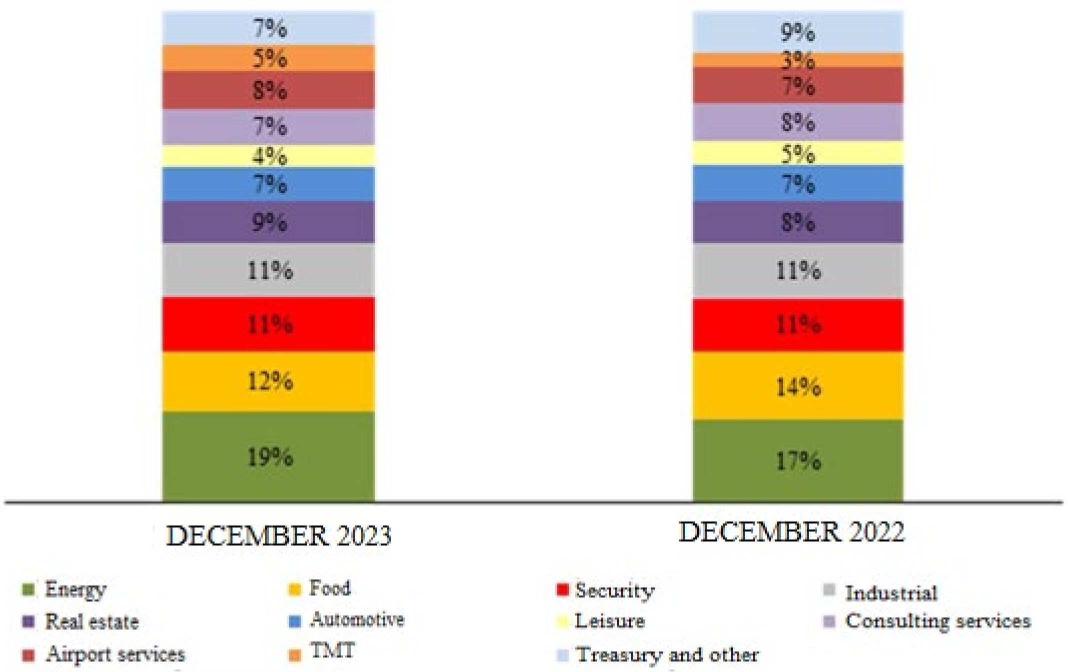
5. Net asset value (NAV)

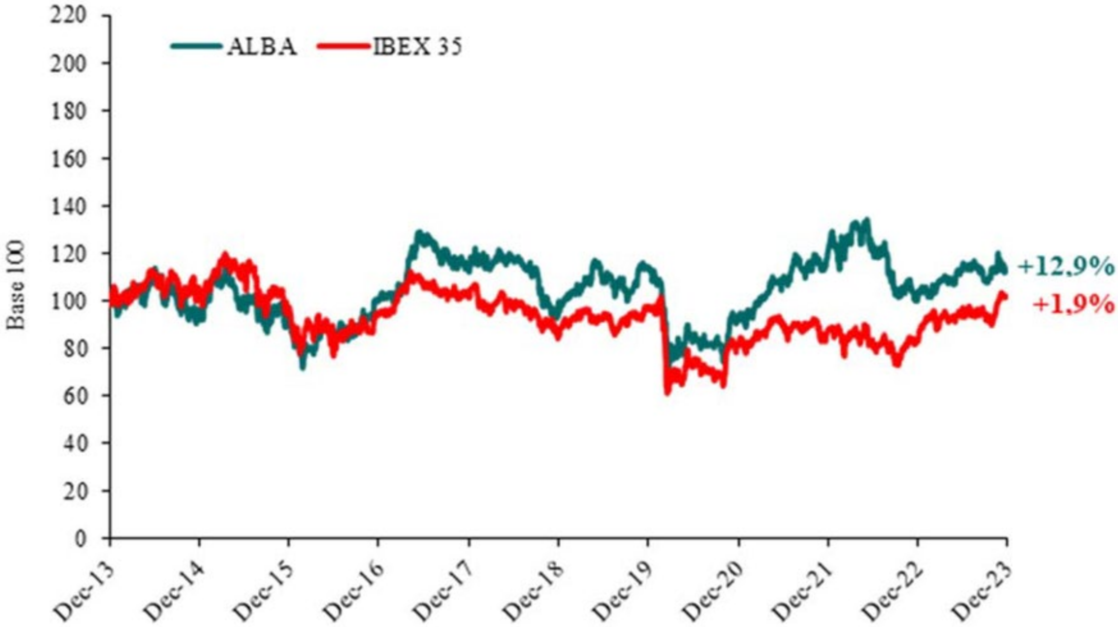
The most representative indicator for a company such as Alba is net asset value (NAV). This and net cash are the only alternative performance measures (APMs) considered (Appendix I). Calculated based on criteria typically used in the market, the NAV of Alba at 31 December 2023 before taxes amounted to Euros 5797 million, which represents a 9.6% increase on the prior year. NAV per share(1) at year end was Euros 96.12, compared to Euros 89.27 at the end of 2022.

	Millions of Euros	
	31/12/2023	31/12/2022
Listed securities	3,311	2,885
Unlisted securities	2,116	1,915
Properties	317	335
Other assets and liabilities	36	44
Net cash	16	110
Net asset value (NAV)	**5,797**	**5,289**
Millions of shares	60.31	59.25
NAV / share	**Euros 96.12**	**Euros 89.27**

6. Distribution of gross asset value (GAV) by sector



7. Share price



In 2023, the price of Alba's shares rose by 11.2% from Euros 43.15 to Euros 48.00. In the same year, the IBEX 35 climbed by 22.4% to 10,102 points.

8. Events after the reporting period

No significant events have occurred since 31 December 2023.

9. Acquisitions and disposals of own shares

In 2023 and 2022 there was no movement in Alba own shares.

10. Research and development activities

The Group's specific activities mean that direct investments are not necessary in this area.

11. Average supplier payment period

Details of the average supplier payment period are as follows:

Days	2023	2022
Average supplier payment period	19	56
Transactions paid ratio	23	59
Transactions payable ratio	59	45

Millions of Euros		
Total payments made	42.8	91.7
Total payments outstanding	7.1	61.8

	2023	2022
Amount of invoices paid within 60 days	41,743	46,162
Number of invoices paid within 60 days	1,491	16,712
Number of invoices paid within 60 days as % of Total invoices paid	84.67%	56.73%
Amount of invoices paid within 60 days as % of Amount of invoices paid	97.60%	66.38%

12. Risk management and control policy

The Board of Directors of Corporación Financiera Alba, S.A. has drawn up the following Risk Management and Control Policy:

1.- Types of risk faced by the Company

Risk is inherent in all business activity and is defined as uncertainty concerning the occurrence of an event or action that could adversely affect the Company's ability to maximise its value for stakeholders and to achieve its goals; it also refers to the possibility of threats materialising and opportunities not being taken.

Corporación Financiera Alba engages in two principal activities:

(i) investment in the capital of listed and unlisted companies, and

(ii) investment in buildings leased as office space.

As a result of its activities, the markets and sectors in which it operates and its environment, the Company is exposed to the following categories of risks:

- Strategic risks related to the mission and vision of the Company, achievement of business goals and the creation and preservation of value for shareholders and other stakeholders.

These include risks related to the corporate governance of the Company, its reputation and responsibility, investment and divestment strategies, and market dynamics.

- Operational risks involving potential direct or indirect economic losses related to external events: uncertainty in the Company's own business activities; or internal events: failures or inadequacies in the processes, systems or resources of the Company.

  These include risks related primarily to revenue, investments and divestments and monitoring thereof, the acquisition of goods and services, physical assets, human resources, information technologies, and natural disasters, terrorism and other criminal acts.

- Financial risks resulting, broadly speaking, from any financing operation which the Company must carry out in order to perform its activities, as well as the reliability of financial information reported by the Company.

  These include liquidity and credit risks, market, tax, accounting and reporting risks.

- Regulatory compliance risks arising from a potential failure to comply with laws, regulations, internal standards and codes of conduct, as well as greater exposure to such risks.

  These include legal risks, regulatory risks and risks involving codes of ethics and conduct.

- Technological, environmental and social risks, including risks associated with information technology, cybersecurity and technological obsolescence, climate change and employee health and safety.

2.- Integrated Risk Management System

Aware of the importance and advantages of adequately and efficiently managing its risks, Corporación Financiera Alba has established an Integrated Risk Management System mainly focused on:

- Enabling the identification and proactive and efficient assessment of Company risks, as well as monitoring and continually tracking these risks.

- Integrating, coordinating and directing the various risk management actions performed by the Company.

- Achieving responsible risk acceptance and reinforcing the responsibility of the Company's employees.

- Ensuring that control systems are aligned with the actual risks of the Company.

- Facilitating and streamlining the application of corrective measures.

The Integrated Risk Management System unites three key components:

(i) The continuous risk management process, understood as the activities performed by all individuals in the Company under the supervision of the Audit and Compliance Committee that are focused on identifying potential risk events, managing the risks identified and providing reasonable assurance that the Company will achieve its goals.

(ii) An organisational focus, with clearly defined and communicated roles and responsibilities. Integrated risk management affects all Company personnel; therefore it is vital to establish an organisational focus on risk management tailored to the organisational structure and corporate culture of the Company.

Although the Integrated Risk Management System affects and involves all Company personnel, the main participants are as follows: risk managers, the Risk Control and Management Department, the Audit and Compliance Committee and the Board of Directors.

(iii) A monitoring model, which identifies and provides the timely information needed so that all those involved in the risk management process can make informed decisions concerning the risks.

2.1. The continuous risk management process

By way of a summary, the continuous risk management process involves performing the following activities:

- Identifying and assessing the risks that could affect the Company.

  Determining the main strategic, operational, financial and regulatory compliance risks affecting the Company's strategy and goals, assessing the probability of occurrence and potential impact and prioritising risks based on these factors.

- Setting the level of risk that is considered acceptable.

  Defining key risk indicators (KRIs) for each critical risk and establishing tolerance levels for these risks.

- Identifying controls.

  Specifying existing controls (or those to be implemented) in the Company to mitigate the aforementioned risks.

- Identifying the processes in which these risks and controls arise.

  Determining the existing relationship between the Company's key risks – and its controls – and the Company's processes, identifying and analysing the processes that are critical for risk management.

- Assessing controls.

  Assessing the effectiveness of the controls in mitigating the risks identified.

- Designing and implementing action plans in response to the risks.

  Determining action plans to be carried out to lower residual risk to an acceptable risk level, bearing in mind the costs and benefits of such efforts. As a direct result of this reduction in the level of risk, a reassessment and prioritisation of the risks will be necessary and appropriate, as part of a continuous risk management process.

In this regard, Corporación Financiera Alba has prepared the Company's Risk Map, which shows, based on their impact and probability, the key risks in the categories listed above. In order for this map to be effectively used as a management tool that allows the Company to make informed decisions, the map is reviewed and updated periodically to adjust it to the Company's current circumstances.

Likewise, the Company has prepared Risk Indices for the most critical risks, identifying the key risk indicators with their corresponding tolerance levels, the associated controls and, where applicable, the action plans to be implemented. These Indices allow the Company to periodically assess and monitor its risks and to determine the most appropriate response to these risks.

2.2. Organisational model of roles and responsibilities

Although the Integrated Risk Management System affects and involves all Company personnel, the main players are as follows:

(i) Risk managers:

These managers are responsible for monitoring the risks assigned to them and for reporting to the Risk Control and Management Department any relevant information concerning the risks.

(ii) Risk Control and Management Department:

The Risk Control and Management Department is expressly tasked with the following duties:

- Ensuring the smooth running of the risk control and management systems and, specifically, that all the important risks affecting the Company are identified, managed and quantified correctly.
- Actively participating in preparing the risk strategy and important decisions concerning risk management.
- Ensuring that the risk control and management systems adequately mitigate risks, as part of the policy established by the Board of Directors.

(iii) Audit and Compliance Committee:

Pursuant to the Regulations of the Company's Board of Directors, this body supervises the effectiveness of the Company's internal controls and risk management systems, among other aspects.

Likewise, it discusses with the auditor any significant weaknesses in the internal control system detected during the audit.

(iv) Board of Directors:

As indicated previously, the Board of Directors has the power to determine the risk control and management policy, including for tax risks, and is tasked with supervising the internal reporting and internal control systems.

With regard to the risk management processes, in addition to the aforementioned Risk Control and Management Department, Corporación Financiera Alba has Regulatory Compliance processes which are performed by the various operational and support departments. It also has an Internal Audit Service (SAI), defined as an advisory and control body serving the Audit and Compliance Committee, that is independent within the organisation as regards its actions, aimed at assessing the various areas and functional activities of the Company.

The duties of the Internal Audit Service include the analysis and proposal of recommendations to improve the risk management processes. The Internal Audit Service also performs independent assessments of the efficiency and effectiveness of internal controls, although this is always in coordination with the Risk Control and Management Department, in order to avoid duplicating tasks and/or areas existing without adequate coverage.

2.3 Monitoring and Reporting Model

The last component of the Integrated Risk Management System is a monitoring and reporting model capable of providing relevant information, in a timely and appropriate manner, to all players involved in the risk control and management process, both upwards and downwards in the hierarchy.

This cross-departmental monitoring model allows the System to behave dynamically and, above all, to anticipate risks, rendering risk management and control possible, within the limits set by the Company.

Specifically, the Integrated Risk Management System established by Corporación Financiera Alba is a management, communication, monitoring and support mechanism for all activities related to risk control and management. It is vital for responding to individual risks and risks that are specific to each activity, while it provides the framework needed for coordinated management by the Company.

As mentioned in the Policy, the Group's activities are exposed to various financial risks: market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk, and cash flow interest rate risk. The Group's Risk Management and Control Policy establishes the basic principles, guidelines and general framework for actions to control and manage the various types of financial and non-financial risks faced. The Group does not use derivatives to mitigate certain risks.

13. Annual Corporate Governance Report

The Annual Corporate Governance Report (ACGR) is an integral part of this Directors' Report and is available for consultation on the websites www.cnmv.es and www.corporacionalba.es.

14. Non-Financial Information Statement

This is attached as Appendix II.

15. Remuneration Report

The Annual Directors' Remuneration Report (ADRR) is an integral part of this Directors' Report and is available for consultation on the websites www.cnmv.es and www.corporacionalba.es.

Appendix I: Alternative performance metrics

In compliance with the guidelines issued by the ESMA on alternative performance measures (APMs), the Company considers that the only alternative performance measures that provide useful financial information to assess performance, which have been included in the consolidated directors' report and give a true and fair view of the Company's market value, are "Net Asset Value" (NAV) and "Net Cash". The definitions and calculation methods used are as follows:

NAV (Net Asset Value): the value of the company calculated as the fair value of the Group's assets less its liabilities, before tax. The Group discloses five categories for the calculation: (i) listed securities, (ii) unlisted securities, (iii) properties, (iv) other assets and liabilities, and (v) net cash.

Net cash: the value of the Group's cash and cash equivalents (including bonds and promissory notes) less financial debt, both current and non-current.

The components of each of the NAV categories are as follows:

(i) Listed securities: the stock market value of the following investments:

a) Investments in listed associates recognised on the balance sheet (Acerinox, S.A., CIE Automotive, S.A., Ebro Foods, S.A., Viscofan, S.A. and Rioja Luxembourg, S.à.r.l. (value of the interest in Naturgy, net of Rioja debt).

b) Listed investments recognised on the balance sheet under "Investments at fair value through profit or loss" (Global Dominion Access, S.A., Technoprobe, Spa, Befesa Holding, S.á.r.l. and Inmobiliaria Colonial, SOCIMI, S.A).

c) Listed investments recognised on the balance sheet under "Other current financial assets" (trading portfolio).

(ii) Unlisted securities: the fair value of the following investments:

a) Investments in UNLISTED associates recognised on the balance sheet (Aegis Lux 2. S.à.r.l., Piolin II, S.á.r.l. and Profand Fishing Holding, S.L.).

b) UNLISTED investments recognised on the balance sheet under "Investments at fair value through profit or loss".

(iii) Properties: fair value of investment property and real estate recognised on the balance sheet.

(iv) Other assets and liabilities: at carrying amount.

(v) Net cash: includes the following:

+ Cash and cash equivalents.

+ Bonds and commercial paper, non-current and current (-)

Loans and borrowings, non-current and current.

Details of the NAV calculation, which includes the Net Cash at 31 December 2023 included in section 5 of the consolidated directors' report, in millions of Euros are as follows:

	Millions of Euros	
	31/12/2023	31/12/2022
Listed securities	3,311	2,885
Unlisted securities	2,116	1,915
Properties	317	335
Other assets and liabilities	36	44
Net cash	16	110
Net asset value (NAV)	**5,797**	**5,289**
Millions of shares	60.31	59.25
NAV / share	**Euros 96.12**	**Euros 89.27**

Correspondence with the consolidated balance sheet is shown in the footnotes of the balance sheet (pages 7 and 8).

Below is a reconciliation of each of these items with the consolidated balance sheet at 31 December 2023 and 2022:

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	2023	
	NAV	**Financial Statements Consolidated**
Listed securities		
Investments in associates (Acerinox, CIE, Ebro, Naturgy and Viscofan)	2,712	2,276
Investments at fair value through profit or loss (Befesa, Technoprobe, G. Dominion and Inmobiliaria Colonial, SOCIMI, S.A.)	599	599
	3,311	**2,875**
Unlisted securities	**2,116**	**1,549**
Properties		
Investment property	301	301
Property, plant and equipment	16	2
	317	**302**
Net cash		
Cash and cash equivalents	406	406
Investments at fair value through profit or loss (bonds)	125	125
Non-current loans and borrowings	(70)	(70)
Loans and borrowings	(445)	(445)
	16	**16**
Other assets and liabilities		
Other non-current financial assets	82	82
Trade and other receivables	18	18
Other financial liabilities	(31)	(31)
Suppliers and other payables	(33)	(33)
	36	**36**

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	2022	
	NAV	**Financial Statements Consolidated**
Listed securities		
Investments in associates (Acerinox, CIE, Ebro, Naturgy and Viscofan)	2,461	2,154
Investments at fair value through profit or loss (Befesa, Technoprobe and G. Dominion)	318	318
Other current financial assets (trading portfolio)	106	106
	2,885	**2,578**
Unlisted securities	**1,915**	**1,620**
Properties		
Investment property	318	318
Property, plant and equipment	17	2
	335	**320**
Net cash		
Cash and cash equivalents	438	438
Investments at fair value through profit or loss (bonds)	128	128
Non-current loans and borrowings	(80)	(80)
Loans and borrowings	(376)	(376)
	110	**110**
Other assets and liabilities		
Other non-current financial assets	39	39
Trade and other receivables	55	55
Other financial liabilities	(2)	(2)
Suppliers and other payables	(48)	(48)
	44	**44**

APPROVAL BY THE BOARD

At its meeting held on 18 March 2024, the Board of Directors of Corporación Financiera Alba, S.A. approved this directors' report, written on 18 pages (excluding this final page and the appendices), all signed by the Secretary to the Board.

DECLARATION OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT

The members of the Board of Directors of Corporación Financiera Alba, S.A. hereby confirm that, to the best of their knowledge, the individual and consolidated annual accounts for 2023, which were authorised for issue at the meeting held on 18 March 2024 and were prepared in accordance with the applicable accounting standards, give a true and fair view of the consolidated equity and consolidated financial position of Corporación Financiera Alba, S.A. at 31 December 2023, and of the consolidated results of its operations, changes in consolidated equity and consolidated cash flows of Corporación Financiera Alba, S.A. and the companies included in the consolidated Group taken as a whole for the year then ended, and that the individual and consolidated directors' reports include a fair analysis of the business performance and results, as well as of the position of Corporación Financiera Alba, S.A. and the companies included in the consolidated Group as a whole, together with a description of the main risks and uncertainties faced.

Mr Carlos March Delgado
Chairman

Mr Juan March de la Lastra
1st Vice-chairman

Mr Juan March Juan
2nd Vice-chairman

Mr Ignacio de Colmenares Brunet
Board member

Ms María Eugenia Girón Dávila
Board member

Ms María Luisa Guibert Ucin
Board member

Mr Santos Martínez-Conde Gutierrez-Barquín
Pickholz Board member

Ms Claudia
Board member

Ms Ana María Plaza Arregui
Board member

Mr Antón Pradera Jaúregui
Board member

Mr José Ramón del Caño Palop
Non-executive secretary

ISSUER IDENTIFICATION DETAILS

Year-end date: 2023/12/31

TAX ID (CIF): A-28060903

Company Name:

CORPORACION FINANCIERA ALBA, S.A.

Registered Office:

CASTELLO, 77, 5th Floor MADRID

A. OWNERSHIP STRUCTURE

A.1. Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with a loyalty vote as of the closing date of the year, where appropriate:

Indicate whether company bylaws contain the provision of double loyalty voting:

[ ] Yes
[√] No

Date of the last modification of the share capital	Share capital (euros)	Number of shares	Number of voting rights
2023/06/19	60,305,186.00	60,305,186	60,305,186

Indicate whether there are different classes of shares with different associated rights:

[ ] Yes
[√] No

A.2. List the company's significant direct and indirect shareholders at year end, including directors with a significant shareholding:

Name or company name of the shareholder	% of voting rights attached to the shares		% voting of rights through of financial instruments		% of total voting rights
	Direct	Indirect	Direct	Indirect	
GLORIA MARCH DELGADO	3.72	0.01	0.00	0.00	3.73
JUAN MARCH DELGADO	13.12	8.73	0.00	0.00	21.85
CATALINA MARCH JUAN	4.64	0.00	0.00	0.00	4.64
BANCA MARCH, S.A.	15.04	0.00	0.00	0.00	15.04
CARLOS MARCH DELGADO	20.19	1.22	0.00	0.00	21.41
JUAN MARCH DE LA LASTRA	7.63	1.15	0.00	0.00	8.78
JUAN MARCH JUAN	3.88	1.21	0.00	0.00	5.09

For clarification purposes, it should be noted that Ms GLORIA MARCH DELGADO has an indirect shareholding in the share capital of 0.006%. It is indicated as 0.01 because the system only admits two decimal points.

Mr JUAN MARCH DELGADO is the Chairman of the Board of Trustees of the FUNDACIÓN MARCH JUAN and the FUNDACION INSTITUTO JUAN MARCH DE ESTUDIOS E INVESTIGACIONES.

The significant shareholder BANCA MARCH, S.A. which holds a 15.04% of the company, appoints Mr JUAN MARCH DE LA LASTRA as its representative in the Board of Directors of Corporación Financiera Alba, S.A.

Breakdown of the indirect holding:

Name or company name of the indirect owner	Name or company name of the direct owner	% of voting rights attached to the shares	% voting rights through financial instruments	% of total voting rights
JUAN MARCH DELGADO	SURISLA, S.A.	0.77	0.00	0.77
JUAN MARCH DELGADO	M.B. DE INVERSIONES, S.A.	5.80	0.00	5.80
JUAN MARCH DELGADO	FUNDACION JUAN MARCH	0.62	0.00	0.62
JUAN MARCH DELGADO	FUNDACION INSTITUTO JUAN MARCH DE ESTUDIOS E INVESTIGACIONES	1.54	0.00	1.54
CARLOS MARCH DELGADO	CONCEPCION DE LA LASTRA RAMOS-PAUL	0.42	0.00	0.42
CARLOS MARCH DELGADO	SON DAVIU, S.L.	0.80	0.00	0.80
JUAN MARCH JUAN	PEÑA TAJADA, S.L.	1.21	0.00	1.21
GLORIA MARCH DELGADO	AGROPECUARIA EL AGUILA, S.A.	0.01	0.00	0.01
JUAN MARCH DE LA LASTRA	ATACAMPA, S.A.	1.15	0.00	1.15

Indicate the most significant changes in the shareholder structure during the year:

Most significant movements

A.3. Give details of the participation at the close of the fiscal year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A2 above:

Name or company name of director	% of voting rights attached to the shares (including loyalty votes)		% voting rights through financial instruments		% of total voting rights	% voting rights that can be transmitted through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Total percentage of voting rights held by the Board of Directors	35.28

Breakdown of the indirect holding:

Name or company name of director	Name or company name of the direct shareholder	% of voting rights attached to the shares	% voting rights through financial instruments	% of total voting rights	% voting rights that can be transmitted through financial instruments
No data					

List the total percentage of voting rights represented on the board:

Total percentage of voting rights held by the Board of Directors	35.28

For clarification purposes, it should be noted that SANTOS MARTÍNEZ-CONDE GUTIÉRREZ BARQUÍN is the direct holder of 0.003% of the Company. It is indicated as 0.00 because the system only admits two decimal points.

A.4. If applicable, state any family, commercial, contractual or corporate relationships that exist among significant shareholders to the extent that they are known to the company, unless they are insignificant or arise in the ordinary course of business, except those that are reported in Section A.6:

Name or company name of related party	Nature of relationship	Brief description
JUAN MARCH DELGADO, GLORIA MARCH DELGADO	Family-related	JUAN MARCH DELGADO and GLORIA MARCH DELGADO are siblings.
CARLOS MARCH DELGADO, GLORIA MARCH DELGADO	Family-related	CARLOS MARCH DELGADO and GLORIA MARCH DELGADO are siblings.

Name or company name of related party	Nature of relationship	Brief description
JUAN MARCH DELGADO, CARLOS MARCH DELGADO	Family-related	JUAN MARCH DELGADO and CARLOS MARCH DELGADO are brothers.
JUAN MARCH DELGADO, CATALINA MARCH JUAN	Family-related	JUAN MARCH DELGADO and CATALINA MARCH JUAN are father and daughter.
JUAN MARCH JUAN, CATALINA MARCH JUAN	Family-related	JUAN MARCH JUAN and CATALINA MARCH JUAN are siblings.

A.5. If applicable, indicate any commercial, contractual or corporate relationships that exist between significant shareholders and the company and/or group, unless they are insignificant or arise in the ordinary course of business:

Name or company name of related party	Nature of relationship	Brief description
No data		

A.6. Unless insignificant for both parties, describe the relationships that exist between significant shareholders, shareholders represented on the Board and directors or their representatives in the case of directors that are legal persons.

Explain, if applicable, how significant shareholders are represented. Specifically, indicate those directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders or who are linked to significant shareholders and/or companies in its group, specifying the nature of such relationships or ties. In particular, mention the existence, identity and post of directors of the listed company, or their representatives, as the case may be, of the listed company, who are, in turn, members or representatives of members of the Board of Directors that hold significant shareholdings in the listed company or in group companies of these significant shareholders:

Name or company name of the related director or representative	Name or company name of the related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/post
JUAN MARCH JUAN	JUAN MARCH DELGADO	JUAN MARCH DELGADO	JUAN MARCH JUAN is the son of JUAN MARCH DELGADO
JUAN MARCH JUAN	BANCA MARCH, S.A.	BANCA MARCH, S.A.	JUAN MARCH JUAN is a Director of BANCA MARCH, S.A.
CARLOS MARCH DELGADO	BANCA MARCH, S.A.	BANCA MARCH, S.A.	CARLOS MARCH DELGADO is a Director of BANCA MARCH, S.A.
JUAN MARCH DE LA LASTRA	CARLOS MARCH DELGADO	CARLOS MARCH DELGADO	JUAN MARCH DE LA LASTRA is the son of CARLOS MARCH DELGADO
JUAN MARCH DE LA LASTRA	BANCA MARCH, S.A.	BANCA MARCH, S.A.	JUAN MARCH DE LA LASTRA is the Chairman of BANCA MARCH, S.A.

BAN BANCA MARCH, S.A. has appointed JUAN MARCH DE LA LASTRA to represent it on the Board of Directors of CORPORACIÓN FINANCIERA ALBA as a proprietary director.

A.7. Indicate whether the company has been notified of any shareholders' agreements that may affect it, in accordance with Articles 530 and 531 of the Spanish Corporate Enterprises Act. If so, describe them briefly and list the shareholders bound by the agreement:

[ ] Yes
[√] No

There is no shareholders' agreement relating to Corporación Financiera Alba, S.A. governing the exercise of voting rights at General Shareholders' Meetings or restricting or conditioning the free transferability of its shares.

Indicate whether the company is aware of any concerted actions among its shareholders. If so, provide a brief description:

[ ] Yes
[√] No

If any of the aforementioned agreements or concerted actions have been amended or terminated during the year, indicate this expressly:

A.8. Indicate whether any individual or company exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Act. If so, identify them.

[ ] Yes
[√] No

A.9. Complete the following table with details of the company's treasury shares:

At the close of the fiscal year:

Number of direct shares	Number of indirect shares (*)	Total percentage of share capital
		0.00

(*) Through:

Name or company name of the direct shareholder	Number of direct shares
No data	

A.10. Provide a detailed description of the conditions and terms of the authority given to the Board of Directors to issue, repurchase, or dispose of treasury shares:

The buyback of shares in the Company is authorised by the General Shareholders' Meeting, up to the maximum permitted by Law, using a sale transaction and subject to the requirements of applicable provisions in this regard.

The authorisation extends to buybacks that, within the limit indicated, are conducted by subsidiaries of Corporación Financiera Alba, S.A., as well as applying the shares bought by virtue of this authorisation and prior authorisations to the execution of the Compensation Plans of Executive Board Members and Directors, which involve the transfer of shares or options on these shares.

The buyback price will be the price listed on the Stock Exchange on the date when the transaction is performed or authorised, where applicable, by the relevant stock exchange authority.

The authorisations in force in 2023 were those agreed by the General Shareholders' Meeting on 22 June 2022 (until 19 June 2023) and by the General Shareholders' Meeting of 19 June 2023 and approved for a period of five years commencing as of that date.

A.11. Estimated floating capital:

	%
Estimated floating capital	19.46

A.12. Indicate whether there are any restrictions (articles of incorporation, legislative or of any other nature) placed on the transfer of shares and/or any restrictions on voting rights. In particular, indicate the existence of any type of restriction that may inhibit a takeover of the company through acquisition of its shares on the market, as well as such regimes for prior authorisation or notification that may be applicable, under sector regulations, to acquisitions or transfers of the company's financial instruments.

[ ] Yes
[√] No

A.13. Indicate whether the general shareholders' meeting has resolved to adopt measures to neutralise a takeover bid by virtue of the provisions of Law 6/2007.

[ ] Yes
[√] No

If so, explain the measures approved and the terms under which such limitations would cease to apply:

A.14. Indicate whether the company has issued shares that are not traded on a regulated EU market.

[ ] Yes
[√] No

If so, indicate each share class and the rights and obligations conferred:

B. GENERAL SHAREHOLDERS' MEETING

B.1. Indicate whether there are any differences between the minimum quorum regime established by the Spanish Corporate Enterprises Act for General Shareholders' Meetings and the quorum set by the company, and if so give details:

[ ] Yes
[√] No

B.2. Indicate whether there are any differences between the company's manner of adopting corporate resolutions and the regime provided in the Spanish Corporate Enterprises Act and, if so, give details:

[ ] Yes
[√] No

B.3. Indicate the rules for amending the company's articles of incorporation. In particular, indicate the majorities required for amendment of the articles of incorporation and any provisions in place to protect shareholders' rights in the event of amendments to the articles of incorporation.

The procedure for amending by Company's Articles of Association is regulated in the Spanish Capital Companies Act, which requires approval from the General Shareholders' Meeting, with the majorities provided in article 194 of the aforementioned Law, without any speciality having been established in this respect by the Articles of Association themselves.

Amendment of the Articles of Association is expressly included among the powers of the General Shareholders Meeting, which are detailed in the Regulation of the General Shareholders' Assembly, without being subject to majorities other than those stipulated in the Law.

B.4. Give details of attendance at General Shareholders' Meetings held during the reporting year and of the two previous years:

	Attendance data				
Date of the general meeting	% physically present	% represent by proxy	% distance voting: Electronic voting	% distance voting: Other	
21/06/2021	46.06	50.74	0.00	0.00	96.80
Of which floating capital	0.00	20.78	0.00	0.00	20.78
20/06/2022	48.28	45.97	0.00	0.00	94.25
Of which floating capital	0.49	16.39	0.00	0.00	16.88
29/11/2022	47.93	47.39	0.00	0.00	95.32
Of which floating capital	0.02	16.86	0.00	0.00	16.88
19/06/2023	66.93	29.82	0.00	0.00	96.75
Of which floating capital	6.02	11.82	0.00	0.00	17.84

The Ordinary and Extraordinary General Shareholders' Meetings of 21/06/2021 and 20/06/2022 were held on a hybrid basis, in person and by remote means. Two shareholders voted by electronic means in both General Meeting, representing 0.0031% of the share capital. On the table, the percentage for voting by remote means appears as a 0.00 because the system does not permit additional decimals to be included.

The Extraordinary General Meeting of 29/11/2022 and the Ordinary and Extraordinary General Shareholders' Meeting of 19/06/2023 were held exclusively in person.

B.5. Indicate whether any point on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders for any reason:

[ ] Yes
[√] No

B.6. Indicate whether the articles of incorporation contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

[√] Yes
[ ] No

Number of shares needed to attend the General Shareholders' Meetings	25
Number of shares required for voting remotely	25

B.7. Indicate whether it has been established that certain decisions, other than those established by law, entailing an acquisition, disposal or contribution to another company of essential assets or other similar corporate transactions must be submitted for approval to the General Shareholders' Meeting:

[ ] Yes
[√] No

B.8. Indicate the address and manner of access on the company's website to information on corporate governance and other information regarding General Shareholders' Meetings that must be made available to shareholders through the company website:

Website: www.corporacionalba.es
Access path: Main Menu / Shareholders and Investors / General Shareholders' Meeting
www.corporacionalba.es/en/corporate-governance
Main Menu / Shareholders and Investors / General Meeting
www.corporacionalba.es/en/general-shareholders-meeting/general-meeting-information/

C. STRUCTURE OF THE COMPANY'S ADMINISTRATION

C.1. Board of Directors

C.1.1 Maximum and minimum number of directors established in the articles of incorporation and the number set by the general meeting:

Maximum number of directors	15
Minimum number of directors	7
Number of directors set by the General Meeting	10

Without prejudice to the General Shareholders’ Meeting of 17 June 2019 establishing the number of Directors at 13, on 31 December 2023, the Board comprised 10 Directors.

C.1.2 Complete the following table on Board members:

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date last appointed	Election procedure
IGNACIO DE COLMENARES BRUNET		Independent	BOARD MEMBER	21/06/2021	21/06/2021	RESOLUTION GENERAL SHAREHOLDERS’ MEETING
MARÍA EUGENIA GIRÓN DÁVILA		Independent	BOARD MEMBER	08/06/2016	18/06/2020	RESOLUTION GENERAL SHAREHOLDERS’ MEETING
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN		Other External	BOARD MEMBER	27/09/2006	20/06/2022	RESOLUTION GENERAL SHAREHOLDERS’ MEETING
ANTONIO MARIA PRADERA JAUREGUI		Independent	INDEPENDENT COORDINATING DIRECTOR	10/06/2015	19/06/2023	RESOLUTION GENERAL SHAREHOLDERS’ MEETING
MARÍA LUISA GUIBERT UCÍN		Independent	BOARD MEMBER	17/06/2019	19/06/2023	RESOLUTION GENERAL SHAREHOLDERS’ MEETING
JUAN MARCH JUAN		Proprietary	VICE-CHAIRMAN 2nd	23/03/2011	19/06/2023	RESOLUTION GENERAL SHAREHOLDERS’ MEETING
CARLOS MARCH DELGADO		Proprietary	CHAIRMAN	22/06/1988	18/06/2020	RESOLUTION GENERAL SHAREHOLDERS’ MEETING

JUAN MARCH DE LA LASTRA		Proprietary	BOARD MEMBER	25/05/2008	18/06/2020	RESOLUTION GENERAL SHAREHOLDERS' MEETING
ANA MARÍA PLAZA ARREGUI		Independent	BOARD MEMBER	17/06/2019	19/06/2023	RESOLUTION GENERAL SHAREHOLDERS' MEETING
CLAUDIA PICKHOLZ		Other External	BOARD MEMBER	27/09/2006	20/06/2022	RESOLUTION GENERAL SHAREHOLDERS' MEETING

Total number of directors	10

Indicate any cessations, whether through resignation or by resolution of the general meeting, that have taken place in the Board of Directors during the reporting period:

Name or company name of director	Category of the director at the time of cessation	Date of last appointment	Date of cessation	Specialised committees of which he/she was a member	Indicate whether the director left before the end of his or her term
No data					

Reason for cessation when this occurs before the end of the term of office and other observations; information on whether the director has sent a letter to the remaining members of the board and, in the case of cessation of non-executive directors, explanation or opinion of the director dismissed by the general meeting

C.1.3 Complete the following tables regarding the members of the Board and their categories:

EXECUTIVE DIRECTORS		
Name or company name of director	Post in organisation chart of the	Profile
No data		

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of director	Name or company name of the significant shareholder represented by the director or that proposed their appointment	Profile

JUAN MARCH JUAN	JUAN MARCH JUAN	Bachelor's degree in Business Administration and Management from CUNEF and Executive MBA from IESE. He currently holds the position of Director of Banca March, S.A. He previously worked at Goldman Sachs (London) in the Departments dedicated to assessing the Natural Resources and Energy, Industry, Transport and Infrastructures sectors. He was a member of the Boards of Directors of Bolsas y Mercados Españoles Sociedad Holding de Mercados y Sistemas Financieros, S.A., Cobra, of Pepe Jeans/Hackett Group and of Mecalux and Vice-Chairman of Artá Capital, SGEIC, S.A.U., among others.
CARLOS MARCH DELGADO	CARLOS MARCH DELGADO	Law graduate. Director of Banca March, S.A. Vice-Chairman of the Board of Trustees of the Juan March Foundation and the Juan March Study and Research Institute Foundation. He has been Vice-Chairman of Grupo Carrefour, Chairman of the Spanish section of the Board of Directors of the Association for the Monetary Union of Europe, founding member and first Chairman of the Institute of Economic Studies, Chairperson of the Spanish group on the Trilateral Commission, member of the International Committee of JP Morgan and of the International Advisory Board of Columbia University. He has been granted the Legion of Honour by the French Government.
JUAN MARCH DE LA LASTRA	JUAN MARCH DE LA LASTRA	Bachelor's degree in Business Administration and Management from University Carlos III of Madrid. Master's degree in Global Markets (JP Morgan New York). He is the current Chairman of Banca March, S.A. and is entrusted with the representation of Banca March, S.A, on the Board of Directors of Corporación Financiera Alba, S.A. as a Proprietary Director. He started off his professional career at JP Morgan and has been the Managing Director and Chairman of March Gestión de Fondos SGIIC, S.A. and March Gestión de Pensiones SGFP, S.A. He was member of the Boards of Directors of Indra Sistemas, S.A., ACS, Actividades de Construcción y Servicios, S.A., Acerinox, S.A. and Viscofan, S.A.

Total number of proprietary board members	3
Percentage of Board	30.00

The significant shareholder BANCA MARCH, S.A., which holds 15.04% of the Company, delegates its representation on the Board of Corporación Financiera Alba, S.A. to Mr. JUAN MARCH DE LA LASTRA.

EXTERNAL INDEPENDENT BOARD MEMBERS	
Name or company name of director	Profile
IGNACIO DE COLMENARES BRUNET	Degree in Law from the Universdad Central of Barcelona and a Master´s Degree in Economics and Business Management from the IESE Business School in Barcelona. Since 2010, he has been director of Ence Energía y Celulosa, S.A., where he currently holds the positions of Chairman and CEO and Chairman of its Executive Committee. Previously, he had a long professional career in the iron and steel sector and energy sector. He was the Sales and Export Director of the Compañía Española de Laminación, the embryo of the iron and steel CELSA Group. He then held the position of Sales Director at Nueva Montaña Quijano, an iron and steel company for common steel, and was the General Sales Director of the CELSA Trefilerías Group. In 1996, he became the General Manager of Trenzas y Cable de Acero-TYCSA, a company specialising in the manufacture of steel, aluminium and fiber-optic cable. In 2001, he joined the Global Steel Wire iron and steel group as the General Manager, a responsibility that he combined with his position of Director of Corporate Development at the CELSA Group. In 2008, he took the position of Chief Executive Officer of Isofotón, a manufacturing company

EXTERNAL INDEPENDENT BOARD MEMBERS	
Name or company name of director	Profile
MARÍA EUGENIA GIRÓN DÁVILA	Industrial Engineering qualification from ICAI and MBA from Harvard Business School. She was a Director at the Loewe and the Chief Executive Officer at Carrera y Carrera after heading up the “Management Buy-In” process as well as Executive Director of IE Premium & Prestige Observatory. She is the current Chairperson of the ASG and member of the Audit and Compliance and Appointments and Remunerations Committees at Cie Automotive, and member of the Executive Committee and Audit Committee of Birks Group. She is also the Vice Chairperson of the International Board of Trustees of Oceana and a member of the Board of Trustees of the Real Fábrica de Tapices. She is a jury member of the European Innovation Council Accelerator of the Green Deal of the European Commission and the Harvard New Venture Competition. She is an associate Professor at IE University. She is also member of the Board of the Spanish Institute for Board Members and Directors (IC-A) and she was Co-Chair of the Women Corporate Directors, member of the Trustees of the IE University and Chairperson of Fundacion Diversidad.
ANTONIO MARÍA PRADERA JÁUREGUI	Civil Engineer. In 1979, he began work as a manager at Banco Bilbao, where he remained until 1985. In 1988 he was appointed Executive Director of Nerisa, where he remained until 1993. In 1993, he moved to SEAT as Strategy Manager. In 1995, he played an important role in creating the Instituto Sectorial de Promoción y Gestión de Empresas, S.A. (INSSEC), becoming the Managing Director and remaining in the position until 2010. Currently, he is Chairman of the Board of Directors of Cie Automotive, S.A., Chairman of Global Dominion Access, S.A. and a Director at Tubacex, S.A.
MARÍA LUISA GUIBERT UCÍN	Graduated in Law and Business Science from ICADE. Chairperson of the Algeposa Group and Chairperson or Director of investeen company, dedicated to port and railway logistics. She is also a Director of Rugui, S.L. and the Atusa Grupo Empresarial, S.A., Director of Antiguo Berri, S.L. and Riberas del Urumea, S.L. She has sat on the Board of Directors of Iberpapel Gestión, S.A. since 2010, and is and member of the Sustainability Committee. She is member of the Advisory Board of Banca March in the Basque Country She is Vice-Chairperson of the Matía Foundation and a member of the Board of Trustees of Aquarium in San Sebastián. She is a member of the Management Committee of the Basque Country Business Circle and member of the Management Committee of AFAME (Association of the Family-owned company of Euskadi). She is member of the Strategic Board of theCEIT Technological Center Association. Member of PIPE (Platform of Investors in Spanish Ports) She has been Vice-Chairperson of the Gipuzkoa Chamber of Commerce and member of the Board of Directors of the Pasaia Port Authority.
ANA MARÍA PLAZA ARREGUI	Graduate in Economics and Business Studies and in Geography and History. She has postgraduate diplomas from IESE, Harvard Kennedy School, The Valley and ESADE. She is currently Director and Chairperson of the Audit Committee of Línea Directa Aseguradora, S.A., Director and Chairperson of the Audit Committee of Globalvía Infraestructuras S.A., Director of Grenergy Renovables, S.A. and Vice-Chair of the Spanish Association Against Cancer (AECC for its acronym in Spanish). She also sits on several advisory councils. She has been an Independent Director and Chairperson of the Audit Committee at Renault España, S.A. and the Grupo Isolux Corsán and member of the Board of Trustees and the Permanent Committee at the Loyola University Andalucía. She has more than 25 years of experience in the financial area. First as an auditor for Pricewaterhouse. Subsequently, as Head of Internal Audit and Consolidation at Abengoa; Finance and Investor Relations Director at Telvent the Finance Director at Microsoft Spain. She then joined the Confederation of Business Organisations (CEOE), first as the Director of Operations and then as the Managing Director. She has also been the Managing Director of the Immune Coding Institute. She was recognised as a Young Global Leader by the World Economic Forum in 2007.

EXTERNAL INDEPENDENT BOARD MEMBERS	
Name or company name of director	Profile
CLAUDIA PICKHOLZ	Born in the USA, she holds a degree in Economics from Rutgers University (New Brunswick, USA), an MBA from Harvard School of Business Administration (Boston, USA) and took the TCL Programme at INSEAD (Fontainebleau, France). She started her professional career at the Irving Trust Company, as an analyst for Europe and Latin America, before joining McKinsey & Company as a Consultant. In 1987, she moved to SC Johnson Wax Española, S.A., becoming the Marketing Director. Subsequently, in 1994 she joined Coca-Cola, first in Spain, as Marketing Director and Planning and Control Director, then in the United Kingdom, as Client Marketing Director for Europe. She was Managing Director of McCann-Erickson Madrid, before joining Kodak, S.A. in 2003, where she held such senior positions as Marketing and Communications Director and Strategic Products Director for Europe, Africa and the Middle East. Most recently, she has been the General Director for Spain and Latin America of Elsevier, S.A. and independent Director of Quabit Inmobiliaria, S.A. She is currently General Director for the Iberian Peninsula and Latin America of TCC (The Continuity Company).

Total number of independent directors	6
Percentage of Board	60.00

Indicate whether any director classified as independent receives from the company or any company in its group any amount or benefit other than remuneration as a director, or has or has had a business relationship with the company or any company in its group during the past year, whether in his or her own name or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

Name or company name of director	Description of the relationship	Reasoned statement
No data		

OTHER EXTERNAL DIRECTORS

Identify the other external directors, indicate the reasons why they cannot be considered as proprietary or independent, and detail their ties with the company or its management or shareholders:

Name or company name of director	Reasons	Company, manager or shareholder to which or to whom the director is	Profile
SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN	He was an Executive Director of the Company until 15 November 2020.	CORPORACIÓN FINANCIERA ALBA, S.A.	Civil Engineer, Master's in Business Management and Administration from ICADE and Diploma in Nuclear Technology from ICAI. He was CEO of Corporación Financiera Alba, S.A. until November 2020. He is currently a Director at Acerinox, S.A., He has been a Director, among other companies, at ACS, Actividades de Construcción y Servicios, S.A., Unión Fenosa, S.A., Artá Capital, SGEIC, S.A., Bolsas y Mercados Españoles Sociedad Holding de Mercados y Sistemas Financieros, S.A., Indra Sistemas, S.A., Banca March, S.A. and Cie Automotive, S.A.. Before joining the March Group he worked at Sener Técnica Naval e Industrial, S.A., Técnicas Reunidas, S.A., Bestinver, S.A., Corporación Borealis and Banco Urquijo, S.A.

Total number of other external directors	1
Percentage of Board	10.00

Indicate any changes that have occurred during the period in each director's category:

Name or company name of director	Date of change	Previous category	Current category
No data			

C.1.4 Complete the following table with information relating to the number of female board members at the close of the past 4 years, as well as the category of each:

	Number of female directors				% of the total directors of each category			
	Year 2023	Year 2022	Year 2021	Year 2020	Year 2023	Year 2022	Year 2021	Year 2020
Executive					0.00	0.00	0.00	0.00
Proprietary					0.00	0.00	0.00	0.00
Independent	4	4	4	4	66.66	66.66	66.66	66.66
Other External					0.00	0.00	0.00	0.00
Total	4	4	4	4	40.00	40.00	40.00	33.33

C.1.5 Indicate whether the company has diversity policies in relation to its Board of Directors on such questions as age, gender, disability, education and professional experience. Small and medium-sized enterprises, in accordance with the definition set out in the Spanish Auditing Act, will have to report at least the policy they have implemented in relation to gender diversity.

[√] Yes
[ ] No
[ ] Partial Policies

If so, describe these diversity policies, their objectives, the measures and the way in which they have been applied and their results over the year. Also indicate the specific measures adopted by the Board of Directors and the nomination and remuneration committee to achieve a balanced and diverse presence of directors.

If the company does not apply a diversity policy, explain the reasons why.

Description of policies, objectives, measures and how they have been applied, and results achieved

The Company has a Selection of Candidates for Director Policy, approved by the Board of Directors and fully adapted to the CNMV [Spanish Securities Market Commission] Technical Guide 1/2019 of 20 February, on Appointments and Remuneration Committees. Among its objectives and principles for the selection of candidates, the Policy contemplates that the selection of Directors must be based on the analysis of the Company carried out by the Board of Directors with the advice of the Appointments and Remuneration Committee. Likewise, the candidates must be selected considering that his/her appointment shall promote diversity of skills, knowledge, experience, gender and age within the Board. It is also stated that in the selection of candidates, care should be taken to ensure that an appropriate balance is achieved on the Board as a whole, which enriches decision-making and brings a plurality of viewpoints to the discussion of matters within its competence.

In addition to this Policy, the Appointments and Remunerations Committee has approved the requirements that candidates must meet for the various classifications of Board Members of Corporación Financiera Alba, S.A.:

1. Executive Board Members will be selected bearing in mind their knowledge of the activities of the Company, their professional background and experience, which will be suited to performing executive duties therein.

2. In order to elect proprietary Board Members, who are appointed on the proposal of a significant shareholder, gender diversity must be respected, avoiding gender discrimination and candidates must also have a suitable professional background and experience for his office of Director.

3. In the case of independent Board Members, the professional background and experience of the candidate must be taken into account. Gender diversity and nationality or habitual residence shall be considered, if relevant to provide the Board with a different point of view.

In 2020, the Board of Directors considered that the target for representing the least represented gender should reach 40% of all members of the Board of Directors. Since the General Shareholders' Meeting held on 21 June 2021, 40% of the positions on the Board are held by female Directors.

During 2023 the Appointments and Remuneration Committee has made the corresponding follow-up of the Selection of Candidates for Director Policy, which has been applied in the re-election of the Board Members Ms. María Luisa Guibert Ucín, Ms. Ana María Plaza Arregui, Mr. Antón Pradera Jáuregui and Mr. Juan March Juan.

C.1.6 Describe the measures, if any, agreed upon by the nomination committee to ensure that selection procedures do not contain hidden biases which impede the selection of female directors and that the company deliberately seeks and includes women who meet the target professional profile among potential candidates, making it possible to achieve a balance between men and women. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

Explanation of measures

- Including female candidates in all Board Member selection processes.

- Including, to the extent possible, a comparable number of candidates of each gender in the selection process.

- When the quality of the candidates is the same, in terms of training and experience, provided the representation target has not been met, the selection of female candidates will be prioritised.

These guidelines were ratified by the Appointments and Remuneration Committee in 2020, which, in accordance with the amendments to the Good Governance Code of Listed Companies approved by the CNMV on 26 June 2020, considered that the target for representing the least represented gender should comprise reaching 40% of the total number of members of the Board of Directors. This objective was been achieved since the General Shareholders' Meeting held in June 2021 and has been maintained since then.

In relation to senior management, the Company follows the Selection Policy approved by the Directors but the principles are not formalised in a specific document.

If in spite of any measures adopted there are few or no female directors or senior managers, explain the reasons for this:

Explanation of reasons

Since June 2021, female Directors represent 40.00% of the total members of the Board of Directors.

Turning to senior management, the executives have a long history of service in the Company, with no new additions. Any new addition will take into account the least represented gender objectives, as established by the Directors.

C.1.7 Explain the conclusions of the nomination committee regarding verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

The Board of Directors, at its session on 17 June 2019 updated the Selection of Candidates for Director Policy of Corporación Financiera Alba in accordance with that set forth in Law 11/2018 and the provisions of the Technical Guides of the CNMV/1/2019.

In this regard, the Appointments and Remuneration Committee has concluded that the Selection of Candidates for Director Policy has been adequately followed, both in terms of the targets and criteria of the selection process, as well as the procedural aspects and the attributes that the candidates should possess, with a Skills Matrix updated in 2022 and confirmed in 2023.

In 2020, in accordance with the amendments to the Good Governance Code of Listed Companies approved by the CNMV on 26 June 2020, it was considered that the target for representing the least represented gender comprised reaching 40% of the total number of members of the Board of Directors. Since the General Shareholders' Meeting held in June 2021, 40% of the seats on the board of

Directors are held by female Directors, therefore the target detailed above has been fulfilled.

During 2023, the indicated percentage has been maintained.

C.1.8 If applicable, explain the reasons for the appointment of any proprietary directors at the request of shareholders with less than a 3% equity interest:

Name or company name of the shareholder	Reason
No data	

Indicate whether the Board has declined any formal requests for presence on the Board from shareholders whose equity interest is equal to or greater than that of others at whose request proprietary directors have been appointed. If so, explain why the requests were not granted:

[ ] Yes
[√] No

C.1.9 Indicate the powers, if any, delegated by the Board of Directors, including those relating to the option of issuing or re-purchasing shares, to directors or board committees:

Name or company name of the board member or committee	Brief description
INVESTMENTS COMMITTEE	The Investments Committee was conferred the responsibility to adopt investment or divestiture decisions within certain limits, and to adopt, in the case of an emergency, those investment or divestiture decisions that are the responsibility of the Board of Directors, which must be ratified by the latter. It is also responsible for monitoring investments and their compliance with the objectives and principles of the Company's Investment Policy.

C.1.10 Identify any members of the Board who are also directors, representatives of directors or managers in other companies forming part of the listed company's group:

Name or company name of director	Company name of the group entity	Position	Does the director have executive powers?
JUAN MARCH JUAN	ARTÁ CAPITAL, SGEIC, S.A.U.	VICE-CHAIRPERSON	NO

JUAN MARCH JUAN held the position of non-executive Vice-Chairman of the investee company ARTÁ CAPITAL, SGEIC, S.A.U., until 15 March 2023, when said company left the group.

C.1.11 List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's board of directors in other entities, whether or not they are listed companies:

Identify the director or representative	Company name of the listed or non-listed entity	Position
JUAN MARCH DE LA LASTRA	Banca March, S.A.	CHAIRPERSON
JUAN MARCH JUAN	Banca March, S.A.	BOARD MEMBER
SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN	Acerinox, S.A.	BOARD MEMBER

Identify the director or representative	Company name of the listed or non-listed entity	Position
ANTONIO MARIA PRADERA JAUREGUI	Tubacex, S.A.	BOARD MEMBER
ANTONIO MARIA PRADERA JAUREGUI	Cie Automotive, S.A.	CHAIRPERSON
ANTONIO MARIA PRADERA JAUREGUI	Global Dominion Access, S.A.	CHAIRPERSON
MARÍA LUISA GUIBERT UCÍN	Iberpapel Gestión, S.A.	BOARD MEMBER
MARÍA LUISA GUIBERT UCÍN	Algeposa Gestion Portuaria, S.L.	CHAIRPERSON
MARÍA LUISA GUIBERT UCÍN	Malgu, S.L.	CHAIRPERSON
MARÍA LUISA GUIBERT UCÍN	Guje, S.L.	BOARD MEMBER
MARÍA EUGENIA GIRÓN DÁVILA	BIRKS GROUP Inc	BOARD MEMBER
MARÍA EUGENIA GIRÓN DÁVILA	Cie Automotive, S.A.	BOARD MEMBER
ANA MARÍA PLAZA ARREGUI	Linea Directa Aseguradora, S.A.	BOARD MEMBER
ANA MARÍA PLAZA ARREGUI	Globalvia Infraestructuras, S.A.	BOARD MEMBER
ANA MARÍA PLAZA ARREGUI	Grenergy Renovables, S.A.	BOARD MEMBER
IGNACIO DE COLMENARES BRUNET	Ence, Energía y Celulosa, S.A.	CHAIRMAN & MANAGING DIRECTOR
CARLOS MARCH DELGADO	Banca March, S.A.	BOARD MEMBER

The following positions are remunerated:

CARLOS MARCH DELGADO, Director of Banca March, S.A.
JUAN MARCH DE LA LASTRA, Chairman of Banca March, S.A.
JUAN MARCH JUAN, Director of Banca March, S.A.
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ BARQUÍN, Director of Acerinox, S.A.
ANTONIO MARÍA PRADERA JÁUREGUI, all positions.
MARÍA LUISA GUIBERT UCÍN, position of Director at Iberpapel Gestión, S.A. and Chairwoman of Algeposa Gestión Portuaria, S.L. She is also a member of the administrative body, with non-remunerated positions, in the following subsidiaries and entities of the Algeposa group: Algeposa Gestión Portuaria, S.L., Estibadora Algeposa, S.A.U., Agencia Marítima Algeposa, S.A., Marítima Guipuzcoana, S.A.U., Transportes TIC, S.L., Algeposa Outsorcing Industrial, S.L., Algeposa Corporate Services, S.L., Comifer, S.L., Algeposa Asturias, S.L., Algeposa Huelva, S.L., Bai Sea Chartering, S.L., Servicios Logísticos Portuarios, S.A., CSP Iberian Terminal Bilbao, S.L., Noatum Terminal Castellón, S.A., Noatum Terminal Tarragona, S.A., Noatum Terminal Sagunto, S.L., Algeposa Servicios Logísticos Ferroviarios, S.L., Railsider Logística Ferroviaria, S.A., Palos Agencia Maritima, S.L., Sociedad Auxiliar Punta Sollana, S.L., Railsider Terminales Ferroviarias, S.L.U., Railsider Ferrocarril, S.L.U., Arabian Sea Port Services, LLC, Railsider France. Positions in these subsidiaries are not remunerated.
MARÍA EUGENIA GIRÓN DAVILA, all positions.
ANA MARÍA MARÍA PLAZA ARREGUI, all positions.
IGNACIO DE COLMENARES BRUNET, Chairman and Managing Director of Ence, Energía y Celulosa, S.A.

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table

Identify the director or representative	Other paid activities
MARÍA EUGENIA GIRÓN DAVILA	Associate Professor at IE University Member of the Advisory Committee Delaviuda Confectionery Advisor Pedro García, S.L.
CLAUDIA PICKHOLZ	Managing Director for The Continuity Company, S.A.

C.1.12 Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

[√] Yes
[ ] No

Explanation of the rules and identification of the document where this is regulated

Pursuant to Article 41 of the Regulations of the Board of Directors of Corporación Financiera Alba, Directors must be suitably dedicated and for these purposes the maximum number of Boards of other companies on which Directors may sit is six, although all positions held in the same group of companies or in entities in which one of these companies has a significant shareholding are considered to be a single position.

C.1.13 Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	6,082
Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	
Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	
Pension rights accumulated by former directors (thousands of euros)	

According to the Remuneration Policy of the Board of Directors, the last update of which was approved by the General Meeting held on

19 June 2023, the remuneration corresponding to all Directors, regardless of their type, amounts to 100,000 euros per annum each. The following additional remuneration is also established:

For the Chairperson, 550,000 euros per year.

For the Vice-Chairpersons, 450,000 euros per year.

For the members of the Audit and Compliance Committee, 30,000 euros per year and for its Chairperson, 40,000 euros per year.

For the members of the Appointments and Remuneration Committee, 20,000 euros per year and for its Chairperson, 30,000 euros per year.

For the members of the Investment Committee, 30,000 euros per year and for its Chairperson, 50,000 euros per year.

There is an additional remuneration of 15,000 euros per year with the same accrual system as the annual remuneration, for the participation in any Committee other than those mentioned above, that may be established.

C.1.14 Identify members of senior management who are not also executive directors and indicate their total remuneration accrued during the year:

Name or company name	Position(s)
JAVIER FERNANDEZ ALONSO	CEO
CARLOS ORTEGA ARIAS-PAZ	CEO
FÉLIX MONTES FALAGÁN	DIRECTOR
JOSE RAMON DEL CAÑO PALOP	DIRECTOR
ANDRÉS ZUNZUNEGUI RUANO	DIRECTOR
RAMON CARNE CASAS	DIRECTOR
NICOLAS JIMENEZ-UGARTE LUELMO	DIRECTOR

Number of women in senior management	
Percentage of total senior management	0.00

Total senior management compensation (in thousands of euros)	5,385

The total includes the remuneration received by Mr. Ramón Carné Casas and Mr. Nicolás Jiménez Ugarte until 15 March 2023, when the subsidiary company in which they worked ceased to belong to the group.

C.1.15 Indicate whether the Board regulations were amended during the year:

[] Yes
[√] No

Description of amendment(s)

C.1.16 Specify the procedures for selection, appointment, re-election and removal of directors. List the competent bodies, steps to follow and criteria applied in each procedure.

- Selection and appointment:

The Board approved on 17 June 2019 a Policy for the Selection of Candidates for Director, referring to the objectives and principles of the selection, the selection process, the conditions to be met by candidates and the limitations to be eligible to be a Director. In addition, the Board Regulations contain the following provisions:

1. Board Members will be appointed by the General Shareholders' Meeting or, on an interim basis, by the Board.

2. Proposals for Board Member appointments submitted by the Board to the General Shareholders' Meeting and the appointment agreements adopted by this body in the case of co-opting must comply with the provisions of the Regulations regarding the distribution of Board Members between executives and external Board Members and, among these, between proprietary and independent board members. The Board of Directors shall ensure that the selection procedures foster diversity of gender, experience and knowledge, and do not suffer from implicit biases that could imply any form of discrimination.

3. In the event of a vacancy, the Chairman or any Board Member may propose candidates, and these will be deliberated by the Board. Proposals for appointment or re-election of Board Members submitted by the Board to the General Shareholders' Meeting, as well as their temporary appointment by co-option, shall be approved by the Board on the proposal of the Appointments and Remuneration Committee in the case of Independent Directors, and following a report from the Appointments and Remuneration Committee for the

remaining Directors. The proposal must be accompanied by an supporting report from the Board (for the General Shareholders' Meeting) and from the Appointments and Remuneration Committee.

- Re-election:

According to the Board Regulations, proposals for re-election of Board Members to be submitted to the General Shareholders' Meeting must be subject to a formal preparation process, including a report by the Appointments and Remuneration Committee and the deliberations of the Board regarding the quality of work and dedication to the position during the preceding term of office.

- Termination:

In accordance with the Board Regulations:

1. Board Members will cease to hold office at the end of the term for which they were appointed, or when so decided by the General Shareholders' Meeting.

2. Board Members shall stand down their position to the Board and, if the Board deems it appropriate, tender their resignation: a) When the Director reaches the age of 70. b) When they are affected by any of the cases of incompatibility or prohibition provided by law. c) When they are affected by circumstances that could prejudice the credibility and reputation of the Company and, specifically, when they are prosecuted for an alleged crime or are undergoing disciplinary proceedings for serious or very serious misconduct brought by the authorities supervising the Securities Market. d) When they are seriously admonished by the Audit Committee on the grounds that they violated their obligations as Board Members. e) When the reasons for which they were appointed are no longer relevant and, specifically, when an Independent Board Member or a Proprietary Board Member loses their respective status.

3. In the case of external proprietary and independent Directors, elected by the general Shareholders' Meeting, the Board shall not propose their removal before reaching the statutory period for which they were appointed, except for just cause, deemed as such by the Board itself, and subject to a report by the Appointments and Remuneration Committee. Just cause shall be deemed to exist if the Director has been in breach of any of the duties inherent in the position or incurred any of the situations referred to in Article 8.1B of the Board Regulations.

4. Directors must inform the Board of any situations affecting them, whether related to their actions in the Company itself, and in particular, of any criminal proceedings in which they are under investigation, as well as the progress of the proceedings. When the Board is informed or becomes aware of any of the circumstances mentioned above, it shall examine it as soon as possible and, in view of the specific circumstances, shall decide, after a report from the Appointments and Remuneration Committee, whether adopt any measure, such as opening an internal investigation, requesting the resignation of the Director or proposing his/her removal. All of this shall be reported in the ACGR, unless there are any special circumstances justifying its omission, and shall be recorded in the minutes.

5. When a Director leave the office before the end of his or her term of office, through resignation or otherwise, the Director shall sufficiently explain the reasons for his or her resignation or, for non-executive directors, his or her views on the reasons for leaving the board, in a letter to be sent to the members of the board. This shall be disclosed in the ACGR, to the extent relevant to investors.

C.1.17 Explain to what extent the annual evaluation of the Board has given rise to significant changes in its internal organisation and in the procedures applicable to its activities:

Description of amendment(s)
The evaluation of the Board of Directors has not revealed any need for changes in the internal organisation or procedures applicable to its activities, without prejudice to some suggestions for action to be implemented during the year.

Describe the evaluation process and the areas evaluated by the Board of Directors with or without the help of an external advisor, regarding the functioning and composition of
the Board and its committees and any other area or aspect that has been evaluated.

Description of the evaluation process and evaluated areas

The assessment process of the Board and its Committees is carried out annually by means of the Committee Reports and the preparation of a questionnaire addressed to the Directors, which addresses aspects related to both the competencies of these bodies and their performance. The answers to the questionnaire serve as the basis for the evaluation of the Board, which is formulated by the Appointments and Remuneration Committee and submitted to the Board for approval. In addition, following the recommendations of the CNMV's CBG, the Company carries out, every three years, evaluations of the Board by an external consultant, in which the Directors complete a questionnaire and have an interview with the consultant.

The last evaluation of the Board with the assistance of an external consultant was conducted in 2023, in respect of the 2022 financial year.

The evaluation process of the Board and its Committees for 2023 was conducted under the coordination of the Chairman of the Board, with the participation of the Directors (by completing questionnaires prepared for this purpose), as well as the participation of the various Committees (by preparing reports on their activities). The questionnaire addressed to Directors covered aspects related both to the functioning and composition of these bodies and to their performance. The Directors' answers were used for the evaluation of the Board, which is formulated by the Nomination and Remuneration Committee and submitted to the Board of Directors for approval.

The areas evaluated with respect to the 2023 financial year were as follows: Corporate Governance in general; composition, functioning, size and diversity of the Board; powers of the Board; remuneration system; frequency and attendance at meetings; dedication of Directors; information to Directors; conduct of meetings; performance of Directors, Executives and Board Committees; training of Directors; application of the Code of Ethics and Conduct and of the Internal Code of Conduct in the Securities Market and of the Criminal and Anti-Fraud Prevention Policy; sustainability; strategy and planning; relationship with executives.

C.1.18 Provide details, for years in which the evaluation was carried out with the help of an external advisor, of the business relationships that the external advisor or company in its group maintains with the company or any company in its group.

The last Board evaluation performed with the assistance of an external consultant was carried out in 2023, in relation to the financial year 2022.

During the financial year 2023, there has been no business relationship with the external consultant or any company of its group by the Company or any company of its Group, other than the service provided in relation with the evaluation of the Board.

C.1.19 Indicate the cases in which directors are obliged to resign.

In accordance with the provisions of the Board Regulations, Directors shall stand down from their position on the Board and, if the Board deems it appropriate, tender their resignation, in the following cases:
a) When the Board Member reaches the age of 70.
b) When they are affected by any of the cases of incompatibility or prohibition provided by law.
c) When they are affected by circumstances that could prejudice the credibility and reputation of the Company and, specifically, when they are prosecuted for an alleged crime or are undergoing disciplinary proceedings for serious or very serious misconduct brought by the authorities supervising the Securities Market.
c) When they are seriously admonished by the Audit Committee on the grounds that they violated their obligations as Board Members.
e) When the reasons for which they were appointed are no longer relevant and, specifically, when an Independent Board Member or a Proprietary Board Member loses their respective status.

C.1.20 Are qualified majorities other than those established by law required for any particular kind of decision?

Yes [ ]
No [√]

If so, please describe any differences.

C.1.21 Explain whether there are any specific requirements, other than those relating to directors, for being appointed as chairman of the

Board of Directors.

[ ] Yes
[√] No

C.1.22 Indicate whether the articles of incorporation or Board regulations establish any limit as to the age of directors:

[ ] Yes
[√] No

As a general rule for all Board Members, when they reach 70 years of age, they must stand down from the Board, and the Board may ask them to formalise their resignation.

C.1.23 Indicate whether the articles of incorporation or Board regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

[ ] Yes
[√] No

C.1.24 Indicate whether the articles of incorporation or Board regulations establish specific rules for appointing other directors as proxy to vote in Board meetings, if so the procedure for doing so and, in particular, the maximum number of proxies that a director may hold, as well as whether any limit has been established regarding the categories of director to whom votes may be delegated beyond the limits imposed by law. If so, please briefly describe these rules.

Board Members may delegate their representation and voting rights to another Board Member in the event of absence from the Board's sessions. This delegation must be made by letter addressed to the Chairman.

There is no maximum number of proxies that may be granted to a Director. Non-executive Directors may only delegate their proxy to another non-executive Director.

C.1.25 Indicate the number of meetings held by the Board of Directors during the year.
Also indicate, if applicable, the number of times the Board met without the chairman being present. Meetings where the chairman gave specific proxy instructions are to be counted as attended.

Number of board meetings	9
Number of board meetings held without the chairman's presence	0

Indicate the number of meetings held by the coordinating director with the other directors, where there was neither attendance nor representation of any executive director:

Number of meetings	2

Indicate the number of meetings held by each Board committee during the year:

Number of meetings held by the AUDIT AND COMPLIANCE COMMITTEE	9
Number of meetings of held by INVESTMENTS COMMITTEE	6
Number of meetings held by the APPOINTMENTS AND REMUNERATION COMMITTEE	8

C.1.26 Indicate the number of meetings held by the Board of Directors during the year with member attendance data:

Number of meetings at which at least 80% of directors were present in person	9
Attendance in person as a % of total votes during the year	98.88
Number of meetings with attendance in person or proxies given with specific instructions, by all directors	9
Votes cast in person and by proxies with specific instructions, as a % of total votes during the year	100.00

C.1.27 Indicate whether the individual and consolidated financial statements submitted to the Board for issue are certified in advance:

[√] Yes
[] No

Identify, if applicable, the person(s) who certified the individual and consolidated financial statements of the company for issue by the board:

Name	Position
JAVIER FERNANDEZ ALONSO	CEO
CARLOS ORTEGA ARIAS-PAZ	CEO
FÉLIX MONTES FALAGÁN	CHIEF FINANCIAL OFFICER

C.1.28 Explain the mechanisms, if any, established by the Board of Directors to ensure that the financial statements it presents to the General Shareholders' Meeting are prepared in accordance with accounting regulations.

The Audit and Compliance Committee's duties include liaising with the external auditors and, as part of this task, it must ensure that the opinion of the auditors' report on the annual accounts is unqualified. The audit reports on the Company's annual accounts have never been qualified.

C.1.29 Is the secretary of the Board also a director?

[ ] Yes
[√] No

If the secretary is not a director, complete the following table:

Name or company name of secretary	Representative
JOSE RAMON DEL CAÑO PALOP	

C.1.30 Indicate the specific mechanisms established by the company to safeguard the independence of the external auditors, and any mechanisms to safeguard the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

The Audit and Compliance Committee is responsible, among other duties, and in accordance with the Law, for ensuring the independence of the external auditors and, in particular, for receiving information on any issues that may jeopardise this independence.

In this regard, the Audit and Compliance Committee is responsible for the selection process of the auditors, as well as for receiving written confirmation from the auditors as to their independence and issuing a report on the Committee's opinion in this regard. It also authorises the provision of non-audit services in accordance with the new Policy for the Provision by the External Auditor of Non-Statutory Audit Services, approved in 2022.

Furthermore, the Company fully complies with the prohibitions and incompatibilities set out in the Audit Act as far as the Company is concerned.

In 2023, the Audit and Compliance Committee was briefed on the independence of the External Auditor and reviewed the independence report issued by the External Auditor. It also participated in the selection process of the External Verifier of the Statement of Non-Financial Information.

Regarding financial analysts and investment banks, there are currently no procedures in place to ensure their independence, although the Company has always dealt with them in a transparent manner.

With regards to rating agencies, this does not apply as there is currently no relationship with any of them.

C.1.31 Indicate whether the company changed its external auditor during the year. Where applicable, identify the incoming and outgoing auditor:

[ ] Yes
[√] No

In the event that there were disagreements with the outgoing auditor, explain these disagreements:

[ ] Yes
[√] No

C.1.32 Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees it received for such work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work.

[√] Yes
[ ] No

	Company	Group Companies	Total
Amount invoiced for non-audit services (thousands of euros)	41	0	41
Amount invoiced for non-audit work/Amount for audit work (in %)	58.53	0.00	51.76

C.1.33 Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion or reservations. If so, indicate the reasons given to shareholders at the general meeting by the chairman of the audit committee to explain the content and extent of the qualified opinion or reservations.

[ ] Yes
[√] No

C.1.34 Indicate the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	7	7

	Individual	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (in %)	18.42	18.42

C.1.35 Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details if applicable:

[√] Yes
[ ] No

Details of the procedure

It will be the responsibility of the Chairperson and the Secretary of the Board to prepare and provide to the other Directors with all information necessary for the adoption of the resolutions proposed on the agenda of each meeting of the Board of Directors, at least three working days in advance of the date of the relevant meeting.

Directors also have the duty to demand and the right to obtain from the Company the appropriate and necessary information for the fulfilment of its obligations and may also obtain the advice they require on any aspect of the Company. All this is channelled through the Chairman.

The External Board Members may agree by majority to engage an expert at the Company's expense. This request shall be communicated to the Chairman of the Company and shall be implemented by the management of the Company and may be vetoed by a majority of two-thirds of the Board if it is not deemed accurate for the performance of its duties or its costs is unreasonable.

Within the Audit and Compliance Committee and the Appointments and Remuneration Committee, the Secretary shall provide its members with the resources and documentation to carry their duties, and it is also envisaged that external information and advice may be sought on any aspect of the Company, in this latter case by prior communication and approval by the Chairman, who shall not reject it, unless there is a justified reason.

C.1.36 Indicate whether the company has established rules obliging directors to inform the Board of any circumstances, whether or not related to their actions in the company itself, that might harm the company's standing and reputation, tendering their resignation where appropriate. If so, provide details:

[√] Yes
[ ] No

Explain the rules

Board Members must inform the Board of any criminal cases in which they are under invetigarins, as well as subsequent procedural events.

When the Board is informed or becomes aware of any of the circumstances mentioned in the above paragraph, it must examine the case as soon as possible and, in view of the specific circumstances, shall decide, based on a report from the Appointments and Remuneration Committee, whether or not to adopt any measure, such as opening an internal investigation, requesting the resign of the director or proposing the director's removal. All such action shall be reported to the ACGR, unless there are special circumstances justifying it, and shall be recorded in the corresponding minutes.

C.1.37 Indicate whether, apart from such special circumstances as may have arisen and been duly minuted, the Board of Directors has been notified or has otherwise become aware of any situation affecting a director, whether or not related to his or her actions in the company itself, that might harm the company's standing and reputation:

[ ] Yes
[√] No

C.1.38 Detail any material agreements entered into by the company that come into force, are modified or are terminated in the event of a change in control of the company following a public takeover bid and their effects.

The Company has not adopted any agreement coming into force in case of a change of control of the Company as a result of a takeover bid.

C.1.39 Identify individually as regards directors, and in aggregate form in other cases, and provide details of any agreements between the company and its directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries	8
Type of beneficiary	Description of the agreement

Executive Board Members and Directors	As at 31 December 2023, there are no Executive Board Members. However, in accordance with the Board Remuneration Policy, in the event that an Executive Board Member who has not had a previous employment relationship with Alba is dismissed, the Executive Board Member is entitled to compensation equivalent to one year's Fixed Remuneration, increased by one twelfth of that year's Fixed Remuneration for each year of service in Alba, subject to a limit of two years of the total annual remuneration, deducting the amount of the fund established as the pension supplement, to which the Board Member will be entitled in full. In the event of termination of the employment of an Executive Board Member who has had a previous employment relationship with Alba, and the previous employment relationship is resumed and terminated, the compensation will be in accordance with employment regulations, and the greater of the following amounts will be paid (i) the amount of the fund set up as a pension supplement, or (ii) the amount of one year's Fixed Remuneration, plus one twelfth of that annuity for each year of service with Alba. The compensation is not paid until it is verified that the Executive Board Member has met the performance criteria established. For managing directors, the termination of their contract will be in accordance with employment regulations, taking into account that for contracts subscribed before 1/1/2019, the compensation for unfair dismissal may not be lower: (i) if they have a defined benefit system, whichever is higher than: (a) the fund constituted, or the fund that should have been constituted under the pension supplement, or (b) the amount of one year's fixed remuneration, plus one twelfth of that annuity for each year of service; (ii) if they have a defined contribution scheme, whichever is greater than: (a) the surrender value or the balance that should have been built up, or (b) the amount of one year's fixed remuneration, plus one twelfth of that annuity for each year of service. For contracts after 1/1/2019, the managing directors will have the severance pay according with employment regulations, or such higher amount as may be agreed, with no minimum guaranteed amount.

Indicate whether, beyond the cases established by legislation, these agreements have to be communicated and/or authorised by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

	Board of Directors	General Shareholders'
Body authorising the clauses	√	

	Ye	No
Are these clauses notified to the General Shareholders'	√	

As at 31 December 2023, there are no Executive Board Members. However, in case they were appointed, their contracts shall be approved by the Company's bodies. The Remuneration Policy for the Board of Directors, includes a section concerning the basic conditions of the contracts of these Board Members, and also a section concerning compensation for early cancellation or termination of the contractual relationship between the Company and the Board Member.

Likewise, according to the provisions of article 249 bis. h) and 529 quindecies.3.e) and g) of the Capital Companies Act, as well as articles 5.2.1. h) and 36. e) and g) of the Regulation of the Board of Directors of Corporación Financiera Alba, S.A., it is the responsibility of the Board of Directors, after informing the Appointments and Remunerations Committee, to appoint and dismiss Directors who reported directly to the Board or any of its members, as well as establishing the basic condition of their contracts and the remuneration policy applicable to these Directors.

In 24 October 2022, the Board of Directors of Corporación Financiera Alba, S.A. approved the basic conditions and the Remuneration Policy for the Directors of the Company, following the Remuneration Policy of the Board of Directors.

C.2. Committees of the Board of Directors

C.2.1 Provide details of all committees of the Board of Directors, their members, and the proportion of executive, proprietary, independent and other external directors forming them:

NOMINATION AND REMUNERATION COMMITTEE		
Name	Position	Category
MARÍA EUGENIA GIRÓN DAVILA	CHAIRPERSON	Independent
CARLOS MARCH DELGADO	MEMBER	Proprietary
SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN	MEMBER	Other External
MARÍA LUISA GUIBERT UCÍN	MEMBER	Independent

% executive directors	0.00
% of proprietary directors	25.00
% of independent directors	50.00
% of other external directors	25.00

The changes in this Commission during 2023 have been as follows: Until 30 June, Ms Claudia Pickholz was a member of this Committee. Ms. María Luisa Guibert Ucín has been a member of the Committee since 1 July.

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each one of these duties, briefly describe its most important actions during the year and how it has exercised in practice each of the duties attributed thereto by law, in the articles of incorporation or other corporate resolutions.

In 2019, the Board approved its Regulations, which were amended in 2020 to adapt them to CNMV resolution of June 2020, amending the Good Governance Code.

a) Duties:

- Assess the skills, knowledge and experience needed on the Board of Directors. It will define the duties and abilities needed in the candidates who must fill vacant positions and assess the time and dedication needed to efficiently perform their tasks.
- Establish a representation target for the least represented gender on the Board of Directors and prepare guidelines on how to reach this target.
- Present proposals before the Board for the appointment of independent Directors and report on proposals for the appointment of remaining Board Members for their appointment by co-opting or to submit them for a decision by the General Shareholders' Meeting, as well as proposals for re-election or dismissal of these board members by the General Shareholders' Meeting.
- Announce proposals for the appointment and dismissal of senior executives and the basic conditions of their contracts.
- Examine and organise the succession of the Chairman of the Board and the company's top executive and make proposals to the Board so that this is in an orderly and organised manner.
- Propose, to the Board, the remuneration policy for the board members and general directors, or individuals performing senior management duties, reporting directly to the Board, Executive Committees or Managing Directors, and individual compensation and other contractual conditions of the executive Board Members, ensuring these are observed.
- Periodically review the remuneration policy applied to Board Members and senior executives, including share-based remuneration systems and their application, in addition to guaranteeing that their individual remuneration is proportional to what is paid to other Board Members and senior executives of the company.
- Report on the proposed appointment and dismissal of the Secretary of the Board.
- Examine the information provided by the Board Members concerning their other professional obligations, should these interfere with the level of dedication required.

- Review the classification of the Board Members on an annual basis.
- Check information concerning the remuneration of Board Members and senior executives in the corporate documents, including the ARR, and ensure the remuneration is transparent and that it is included in the Annual Report on Director's Remuneration.
- Making sure that potential conflicts of interest do not undermine the independence of external advice given to the Committee.

b) Composition and organization:

It is composed of minimum of 3 and a maximum of 5 members, all external or non-executive board members. At least two, among them the Chairperson, will be independent directors The Chairperson will be appointed by the Board, taking into account their knowledge and experience in corporate governance, human resources, the selection of directors and senior management, performance of senior management tasks and remuneration of directors and senior management. All efforts will be made to ensure that as a whole, they have the sufficient knowledge and experience to discharge their duties, while favouring the diversity in its composition in terms of gender, age and professional experience. The Secretary of the Board will act as Secretary. The Board may also appoint substitutes from among the Board Member categories indicated, in case of vacancies, absences or conflicts of interest. The duration of the position will be for the period remaining up until the termination of the mandate as a Board Member, however re-election is possible. It shall convene as often as is required by agreement of the Committee or its Chairman, or at the request of the Board of Directors, and at least three time a year. It shall be deemed validly convened when the majority of its members are present or represented. Another member of the committee may be appointed as a proxy. Resolutions will be passed by the majority of the members present in person or by proxy. The Chairperson has the casting vote. It can gather all types of information on the Company and obtain advice from external professionals for technical or significant aspects, with the approval of the Chairman of the Board of Directors, who will not deny such a request without reason.

c) Actions:

As of 31.12.2023 it had 4 members and has met on 8 occasions. It has made proposals and reported on matters within its competence, among others, on the proposed renewal of Directors, the new activities and category of Directors; the composition of the Board committees; the review of Directors' remuneration; the proposed update of the Board's Remuneration Policy and the ratification of the competency matrix; the monitoring of the Remuneration Policy; the 2022 ARR and the transparency of information on Directors' remuneration in the Annual Accounts; the monitoring of the Remuneration Policy and the Director selection policy; the proposal to amend the resolution creating the Investment Committee; and the proposal of the Chairman's succession plan.

A summary of its activities is included in the corresponding report on the activities of the Appointments and Remuneration Committee, which is made public when the General Meeting is called.

INVESTMENTS COMMITTEE		
Name	Position	Category
ANTONIO MARIA PRADERA JAUREGUI	CHAIRPERSON	Independent
IGNACIO DE COLMENARES BRUNET	MEMBER	Independent
JUAN MARCH DE LA LASTRA	MEMBER	Proprietary
JUAN MARCH JUAN	MEMBER	Proprietary
SANTOS MARTINEZ-CONDE GUTIERREZ-BARQUIN	MEMBER	Other External
DOÑA ANA MARÍA PLAZA ARREGUI	MEMBER	Independent
DOÑA CLAUDIA PICKHOLZ	MEMBER	Independent

Ms. María Luisa Guibert Ucín has been a member of this Committee until 30 June 2023.

% executive directors	0.00
% of proprietary directors	28.58
% of independent directors	57.14
% of other external directors	14.28

Explain the functions delegated or assigned to this committee, other than those that have already been described in Section C.1.9, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

The Investment Committee was incorporated by the Board of Directors at its session of 17 June 2019. In 2023, its founding agreement was amended to increase the maximum number of members from 6 to 7 and the term of office from two years (or the remaining term of office of the Director, whichever is shorter).

a) Duties

- Report on the Company's investment strategy.
- Reporting, optionally, on the investment or divestment decisions which fall under the responsibility of the Board of Directors in a plenary session. Investments or disinvestments of more than 200 million euros are considered to fall under the responsibility of the Board of Directors in a plenary session.
- Make investment and divestment decisions when these exceed the following amounts, and the amount provided in the section above is not reached:
(i) Investment or disinvestments in securities issued by entities which, at all times, form a direct or indirect part of the securities portfolio: 25 million euros.
(ii) Investments in securities issued by entities which do not form a direct or indirect part of the securities portfolio: 10 million euros.
(iii) Real estate investment and divestments: 25 million euros.
- Make investment or divestment decisions which fall under the responsibility of the Board of Directors, in a plenary session, in emergencies. These decisions must be ratified by the Board of Directors in the first session of the Board held after adoption of the decision.
- Receive information concerning changes in the entities in which Corporación Financiera Alba, S.A. has an ownership interest, with a view to tracking its strategy, compliance with its business plans and budgets and general changes to the entities and their sectors.
- Track the investments made in order to check that they comply with the targets and principles of the Investment Policy approved by the Board of Directors.
- Proposal of measures or decisions which are considered fitting for optimising the profitability of the investments.
- Proposals to the Board of Directors for the amendment of the shareholding or to agree the divestment.
- Any other duties related with matters falling under its responsibility which are requested by the Board of Directors or by its Chairperson.

b) Composition and organization

The Investment Committee will be comprised of a minimum of three and a maximum of seven Board Members who have the knowledge, abilities and experience of the Board Members and the tasks of the Committee. The Board will appoint the Chairman of the Committee and the Secretary of the Board of Directors or, failing this, the person appointed by the Committee for each session will act as the non-member Secretary.

The duration of the position will be for two years or the period remaining up until termination of the mandate as a Board Member, whichever is less, however re-election is possible.

The Investment Committee will meet as many times as it is convened, based on an agreement of the Committee itself or its Chairman, with at least 24 hours’ notice. Any person in the Company that the Committee considers appropriate may be invited and attend the meetings. The meetings of the Investment Committee will normally take place at the registered office, but can also be held in any other location determined by the Chairman and indicated in the call to meeting. Meetings may likewise be held by conference call for videoconferencing, provided that the Directors have appropriate technical resources in place, and no Director objects to this.

Likewise, in order to better perform its duties, the Committee may solicit the advice of external professionals, first informing the Chairman of the Board of Directors and receiving the Chairman’s approval.

The valid establishment of the Committee requires the majority of its members to be present or represented at the meeting. Each member of the Committee may vest powers of representation in another Member. This power of representation must be granted in writing. A fax or email sent to the Chairman of the Committee will be acceptable.
Resolutions will be passed by the majority of the members present in person or by proxy. In the event of a tie, the President will hold the casting vote. The Secretary of the Committee will draw up the Minutes of each of the meetings held, to be approved at the meeting itself or that immediately following. A copy of the minutes of the meetings will be sent to all members of the Board.

c) Additional regulation

In matters not specifically provided for, the Investment Committee may regulate itself, with the Regulations of the Board of Directors relating to its functioning being supplementarily applicable.

d) Actions

As at 31 December 2023, the Investment Monitoring Committee had seven members, but from 1 January to 30 June 2023 it had six members and met six times.

In 2023, the Investment Committee reported on matters within its remit. It reviewed the status of investments in three listed companies and seven unlisted companies in the investment portfolio, as well as the status of the Group's real estate business. It authorised the additional investment in one listed company in the investment portfolio to finance an acquisition.

A summary of its activities is included in the corresponding report on the activities of the Investments Committee, which is made public when the General Meeting is called.

AUDIT AND COMPLIANCE COMMITTEE		
Name	Position	Category
CLAUDIA PICKHOLZ	CHAIRPERSON	Independent
MARÍA EUGENIA GIRÓN DAVILA	MEMBER	Independent
ANA MARÍA PLAZA ARREGUI	MEMBER	Independent

% executive directors	0.00
% of proprietary directors	0.00
% of independent directors	100.00
% of other external directors	0.00

The changes in the composition of this Committee during 2023 were as follows: Until 19 June 2023, the Audit and Compliance Committee was chaired by Ms Ana María Plaza Arregui. Since 19 June 2023, this Committee has been chaired by Ms Claudia Pickholz.

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

Since 2017 it has had a Regulation, the last modification of which was approved in 2021.

a) Duties:

1.Inform the General Shareholders' Meeting about issues within its remit, the result of the audit and how this has contributed to the integrity of the financial information and its function in that process.

2. Supervise the effectiveness of the Company's internal control, internal audit and risk management systems, discussing with the auditor any significant weaknesses in the internal control system detected in the audit, without impinging upon their independence, and may present recommendations or proposals to the Board and timeframes for monitoring it.

3. Oversee the preparation and presentation of the financial and non-financial information and its communication policy, and submit recommendations or proposals to the Board to safeguard its integrity.

4. Submit before the Board any proposals for the selection, appointment, re-election and replacement of the accounts auditor, and

is responsible for the selection and the terms and conditions of the engagement. Gather information on the audit plan and its execution, and maintain its independence during the performance of its duties.

5. Establish relations with the external auditor in order to receive information on matters that may pose a threat to its independence, for examination by the Committee, and others concerning the performance of the auditing of the accounts, and on the authorisation of services different to those prohibited, regarding the regime of independence, as well as other communications concerning the legislation and rules on the auditing of accounts. Receive the annual statement of independence and information on the additional services provided and the fees paid.

6.Annually issue, prior to the account audit report, an opinion report on whether the independence of auditor of accounts is compromised and detail the assessment of the provision of the additional services referred, considered individually and as a whole, in relation to the regime of independence or the regulation of the auditing activity.

7. Informs the Board in advance about the matters set forth in the Law, articles of association and Board Rules, and in particular, the financial information to be published periodically, and non-financial information, if appropriate; the creation or acquisition of interests in special purpose vehicles or those domiciled in tax havens; and the operations with related parties that must be approved by the General Shareholder's Meeting or the Board.

8. Supervise the compliance with corporate governance rules, internal codes of conduct and the sustainability policy, the application of the financial and non-financial information policy, and the processes concerning relationships with stakeholders.

9. Supervise the internal procedure for related-party transactions delegated by the Board.

b) Composition and organisation:

Consisting of a minimum of 3 and a maximum of 5 members, all of them external or non-executive directors with knowledge of accounting, auditing, and experience in financial aspects, internal control and risk management, with the Chairman and the majority of its members being independent. As a whole, they shall have relevant expertise in relation to the Company's sector of activity. Its Secretary, who may be a member, is the Secretary of the Board. Alternates may be appointed for vacancies, absences or conflicts of interest. The office lasts until the end of the Director's term of office and may be re-elected. The meeting is convened at least five days in advance, including the agenda. In order to be validly constituted, a majority of its members must be present or represented, and representation may be conferred on another member. Resolutions are adopted by a majority of those present or represented. The Chairman has the casting vote. It reports regularly to the Board, through its Chairman, on its activities, and advises and proposes measures within the scope of its functions.

c) Actions:

In 2023 it held 9 meetings.

The following actions in the different areas stand out: 1. Review of the periodic financial information: it has made suggestions and ensured that they are published on the corporate website. 2. External audit and relations with the auditors: It was informed about the Annual Accounts for the financial year 2022, the review of the financial statements for the first half of 2023 and the planning of the audit for 2023 and assessed the external auditor and issued a report on its independence. 3. Review of non-financial and sustainability information: Reported favorably on the 2022 NFI, incorporated in the Progress Report for the Global Compact and on the monitoring of the Sustainability Policy. 4. Relations with external verifiers: Was informed about the verification of the EINF and the planning of the 2024 verification. 5.Risk identification and internal control system: In 5 meetings, she discussed the management and monitoring of risks, examining the monitoring reports, and was informed by the Company's risk managers. Internal Audit: It was informed of the work of the 2023 Business Plan and reported to the Board on its results, as well as the monitoring of the ICFR. It assessed the Internal Audit Service. Compliance and other: Reviewed the Regulatory Compliance and Crime Prevention monitoring reports. Issued a Related Party Transactions Report in 2022 and reviewed the draft IAGC. Assessed its performance in 2022, without resulting in changes to the Company's internal organisation and procedures. Its performance report is published with the call of the General Meeting. Its action report is published with the summoning of the General Shareholders' Meeting.

Identify the directors who are members of the audit committee and have been appointed taking into account their knowledge and experience in accounting or audit matters, or both, and state the date on which the Chairperson of this committee was appointed

Names of directors with experience	CLAUDIA PICKHOLZ ANA MARÍA PLAZA ARREGUI
Date of appointment of the chairperson	19/06/2023

C.2.2 Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

	Number of female directors							
	2023 Financial Year		2022 Financial Year		2021 Financial Year		2020 Financial Year	
	Number	%	Number	%	Number	%	Number	
NOMINATION AND REMUNERATION COMMITTEE	2	50.00	1	33.33	1	33.33	2	50.50
INVESTMENTS COMMITTEE	1	16.67	1	16.67	1	16.67	1	16.67
AUDIT AND COMPLIANCE	3	100.00	3	100.00	3	100.00	3	100.00

C.2.3 Indicate, where applicable, the existence of any regulations governing Board committees, where these regulations are to be found, and any amendments made to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

The regulation of the Audit and Compliance Committee is contained in the Regulation of the Board of Directors and in its own regulation, which was approved by the Board of Directors on 23 October 2017, following Recommendation number 19 of the Technical Guide of the CNMV 3/2017 concerning Audit Committees in Public Interest Entities, and was amended in 2020 and in 2021.

The regulation of the Appointments and Remuneration Committee is included in articles 35 and 36 of the Regulation of the Board of Directors and in its own Regulation, which was approved by the Board on 17 June 2019, in accordance with section 3.2 of Technical Guide of the CNMV 1/2019 of 20 February concerning Appointments and Remuneration Committees and was amended in 2020.

The regulations of the Investment Committee are contained in its charter and delegation of the powers of this Committee, adopted in a session of the Board of Directors on 19 June 2023, which amends the resolution held on 17 June 2019.

The Regulations of the Board of Directors, the Audit and Compliance Committee and the Appointments and Remuneration Committee as well as the regulations of the Investment Committee, are available on the corporate website (www.corporacionalba.es) and at its corporate address.

The Audit and Compliance Committee, Appointments and Remuneration Committee, and Investment Committee submitted a report on their activities in the previous year.

D. RELATED PARTY AND INTRAGROUP TRANSACTIONS

D.1. Explain, where appropriate, the procedure and competent bodies relating to the approval of transactions with related and intragroup parties, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected director or shareholders. Detail the internal information and periodic control procedures established by the company in relation to those related-party transactions whose approval has been delegated by the board of directors.

The General Shareholders' Meeting has approved those related-party transactions that fall within its remit by law, subject to favourable report by the Audit and Compliance Committee.

With regard to the remaining related-party transactions, whose approval falls within the remit of the Board, the preliminary report will be issued by the Audit and Compliance Committee.

The Regulations of the Board of Directors state that for transactions that fall within its remit, any Directors affected, or who represent or are related to the affected shareholders, must abstain from participating in the deliberations and voting with regard to the corresponding transaction.

There is no delegation of related-party transactions by the Board of Directors.

D.2. Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

	Name or company name of the shareholder or any of its subsidiaries	% Shareholding	Name or company name of the company or entity within it group	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against the majority of independents
(1)	BANCA MARCH	15.04	CORPORACION FINANCIERA ALBA, S.A.	9,510	Board of Directors	CARLOS MARCH DELGADO JUAN MARCH DE LA LASTRA JUAN MARCH JUAN	NO

	Name or company name of the shareholder or any of its subsidiaries	% Shareholding	Name or company name of the company or entity within it group	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against the majority of independents

	Name or company name of the shareholder or any of its subsidiaries	Nature of the relationship	Type of operation and other information required for its evaluation
(1)	BANCA MARCH, S.A.	Commercial	Capital Contribution to the funds MARCH PE GLOBAL I, FCR and MARCH PE GLOBAL II, FCR

All transactions with Banca March, S.A. constitute the company's ordinary traffic and are performed under normal market conditions.

D.3. Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Name or company name of the company or entity within its group	Relationship	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against the majority of independents
No data						

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Nature of operation and other information required for its evaluation
No data	

D.4. Report individually on intra-group transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, report any intragroup transaction conducted with entities established in countries or territories considered as tax havens:

Company name of the entity within the group	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
No data		

D.5. Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections.

Company name of the related party	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
FUNDACION JUAN MARCH	Exhibition Sponsorship	300

D.6. Give details of the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group and its directors, senior management, significant shareholders or other associated parties.

According to the provisions of the Regulations of the Board, Board Members cannot directly or indirectly make professional or commercial transactions with the entity or with any of its subsidiary Companies, unless they inform the Board of Directors of these subsidiaries in advance and the Board of Directors, subject to a report by the Audit and Compliance Committee approving the transaction.

On the other hand, in the event of public requests to delegate voting powers made by the Board of Directors or any of its members, the direction in which the representative will vote must be indicated in the event that no instructions have been given by the shareholder. Furthermore, in case of a public request to delegate voting powers, the Director cannot exercise the voting power for the shares represented concerning matters on the agenda where there is a conflict of interest.

D.7. Indicate whether the company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and whether it has, directly or through any of its subsidiaries, business relationships with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them.

[ ] Yes
[√] No

E.1. Explain the scope of the company's financial and non-financial risk management and control system, including tax risk.

The Company, which includes Corporación Financiera Alba, S.A. and its Group companies, has defined an Integrated Risk Management System aimed mainly at:

• Enabling the identification and proactive and efficient assessment of Company risks, as well as monitoring and continually tracking these risks.
• Integrating, coordinating and directing the various efforts which, in terms of risk management, the company is performing.
• Achieving reasonable risk acceptance and reinforcing the responsibility of employees of the Company.
• Ensuring the control systems are aligned with the real risks of the Company.
• Facilitate and streamline the application of the corrective measures that mitigate the exposure to such risks.

This Integrated Risk Management System has been implemented at corporate level to mitigate the risks, both financial and non-financial, to which the Company is exposed, given the nature and degree of complexity of its operations and the environment in which it operates. This System unites three key components:

(i) Continued Risk Management process, understood as those activities performed by all individuals in the Company under the supervision of the Audit and Compliance Committee that are focused on identifying those potential risk events that could affect it, managing the risks identified and ensuring reasonable security in achieving the Company's objectives.

By way of a summary, the continued risk management process involves performing the following activities:

• Identifying and assessing the risks that could affect the Company.
• Prioritizing the critical risks to which the Company is exposed.
• Determining the level of risk that is can be tolerated, by defining key risk indicators (KRIs) for each critical risk and establishing tolerance levels for these risks.
• Identifying the processes in which these risks occur.
• Identifying the mitigating controls of the risks.
• Assessing the effectiveness of the checks in mitigating the risks identified.
• Designing and implementing action plans as a response to the risks, when deemed necessary.

In this regard, the Company has prepared the company's Risk Map, which shows the company's key risks based on their impact and probability. In order for this map to effectively become a management tool that allows the Company to make informed decisions, the map is reviewed and updated periodically to adjust it to the Company's current circumstances.

The Company has likewise defined the Risk Datasheets for the most critical risks, identifying the key risk indicators (with their corresponding tolerances), the associate controls and, where applicable, the action plans to be implemented.

These Indexes allow the Company to periodically assess and monitor its risks and to determine the most appropriate response to these risks.

The most recent update of the Alba Risk Map took place in 2022, along with the corresponding Risk Sheets. In 2023, the Audit Committee reviewed the Risk Map again and did not consider it necessary to update it again in that year. A further review of the Risk Map is planned for 2024.

(ii) An organisational focus, with clearly defined and communicated roles and responsibilities. Full risk management affects all staff of the Company, as a result, it is vital to establish an organisational focus on risk management that is suited to the organisational structure and the Company's corporate culture.

Though the Integrated Risk Management System affects and involves all Company staff, the main participants, as are described in the next section (E.2), are as follows: risk managers, the Risk Control and Management Department, the Audit and Compliance Committee and the Board of Directors.

(iii) A tracking model, which identifies and provides the crucial information needed so that all those involved in the risk management process can make informed decisions concerning the risks. This tracking model is cross-sectional as it allows the System to behave dynamically and, above all, to anticipate risks, rendering risk management and control, within the limits set by the Company, possible.

These elements constitute a model that provides for an adequate management of the risks and mitigating controls over such a corporate level, which is applied to all risks indicated in section E.3, which includes fiscal risks.

E.2. Identify the bodies within the company responsible for preparing and executing the financial and non-financial risk management and control system, including tax risk.

The Company's Integrated Risk Management System involves all the Company's staff, though the main parties responsible for the System are as follows:

a) Board of Directors.

The Board of Directors has reserved the right to determine the risk control and management policy, including for tax risks, and to supervise the internal reporting and control systems.

In this regard, the Board of Directors is the main body responsible for the risk management system, since it develops the mechanisms needed so that all the relevant risks involved in the activities and business dealings are adequately identified, managed and controlled within the limits established.

b) Audit and Compliance Committee.

The Audit and Compliance Committee, which has been entrusted, among other duties, with supervising the effectiveness of the Company's internal checks, internal audits and risk management systems. It assesses whether or not there is sufficient organisation, staff, policies and processes needed to identify and control its main risks.

c) Risk Control and Management Department.

The Risk Control and Management Department is under the direct supervision of the Audit and Compliance Committee and has been expressly given the following duties, which are included in its Articles of Association, and which have been approved by the Board of Directors:

• Ensuring the smooth running of the risk control and management systems and, specifically, that all the important risks affecting the company are identified, managed and appropriately quantified.
• Actively participating in preparing the risk strategy and important decisions concerning its management.
• Ensuring that the risk control and management systems appropriately mitigate risks, as part of the policy identified by the Board of Directors.

d) Risk Managers.

They are responsible for monitoring the risks assigned to them and for reporting any relevant information in this regard to the Risk Management and Control Unit.

As regards the risk management processes, it should be noted that in addition to the previously mentioned Risk Management and Control Unit, the Company has in place a Regulatory Compliance model, which establishes the regulatory requirements that must be followed by the different operational and support areas, as well as an Internal Audit Service, which is defined as an advisory and control body that reports to the independent Audit and Compliance Committee within the organisation concerning its activities, focusing on the assessment of the different functional areas and activities of the Company, as indicated in the Internal Audit Service Regulations.

The analysis and proposal of recommendations for improving the risk management processes, as well as performing independent assessments concerning the effectiveness and efficiency of internal checks are included among the duties entrusted to the Internal Audit Service, which works in partnership with the Risk Control and Management Department in order to avoid duplicating tasks and/or areas without sufficient coverage.

With regard to crime prevention, the Company has an Organisational and Management Model in place to prevent the commission of offences, along with the Crime Prevention Manual, which was updated in 2022 to include the identification of the new offences incorporated by Law 10/2022 of 6 September, which reforms the Criminal Code. In 2023, the Audit and Compliance Committee carried out the corresponding monitoring of the effectiveness of the Crime Prevention Model, without having detected any favourable or unfavourable controls with recommendations. A review of the Organisation and Management Model to prevent the commission of crimes is planned for 2024.

E.3. Indicate the main financial and non-financial risks, including tax risks, as well as those deriving from corruption (with the scope of these risks as set out in Royal Decree Law 18/2017), to the extent that these are significant and may affect the achievement of business objectives.

The Group is subject to various risks inherent to the different sectors and markets in which it or its associated companies or companies in which it has holdings operate, and which could prevent it from achieving its targets and successfully executing its strategies.

As indicated above, the Company has a Risk Map, which is a tool that makes it possible to put the risks that could affect corporate targets into context, in addition to identifying and prioritising the most relevant and critical risks, making it possible to make decisions concerning steps to take to mitigate these risks.

The Company has a risk tracking and updating system which makes it possible to identify and incorporate any new risk identified during the financial year in the Company's Risk Map. Likewise, the system ensures that all key risks are reviewed at least twice per year. As a result of this review and analysis process, the current Risks Map, updated in 2022, has a total of eleven risks.

As a result, in the process of identifying and assessing risks, both financial and non-financial, affecting the Group, the following risk factors were considered to be the most inherently relevant (in other words, before applying the checks established):

· Macro-economic and socio-political factors
· Performance of investee companies
· Investment and divestment processes
· Catastrophic events
· Technological security
· Corporate reputation
· Corporate responsibility and sustainability (ESG)
· Measurement and monitoring of investments
· Tax management
· Culture
· Regulatory non-compliance

The Crime Prevention Manual, by identifying the criminal risks likely to affect the Company, highlights the crimes of corruption in business dealings, among other offences. Based on the risk tracking reports, there do not appear to be any significant corruption risks that affect the Company. The Code of Ethics and Conduct formally expresses the Company's condemnation of any form of corruption.

E.4. Indicate whether the entity has risk tolerance levels, including for tax risk.

The Company's risk assessment and management model categorises risks, including tax, into four classifications, based on the impact of the risk and the probability of occurrence, as well as the perceived degree of internal control mitigating these risks.

Based on these parameters, the risks are classified as:

• Minor risks: Risks whose inherent criticality is medium-low and whose perceived degree of internal control is medium-high. These risks are managed with a view to rationalising the efforts made to mitigate these risks, without this causing appreciable damage to the perceived degree of internal control.
• Average risks: Risks whose inherent criticality is medium-low and whose perceived degree of internal control is medium-low. These risks are tracked with a view to confirming that they maintain a medium-low level of inherent criticality, otherwise, the corresponding corrective measures will be taken.
• High risks: Risks whose inherent criticality is medium-high and whose perceived degree of internal control is medium-high. For this type of risk, the associated checks are assessed in order to confirm the effectiveness of their design and method, and to confirm that the checks adequately mitigate the risks.

• Critical risks: Risks whose inherent criticality is medium-high and whose perceived degree of internal control is medium-low. These risks are continually monitored by the of the Company's Management and action plans will be established to increase their degree of internal control, where necessary.

The Company has identified Key Risk Indicators (KRIs) for all risks categorised as high and critical and has established tolerance levels for each of the risks. The results are periodically assessed and reported within Alba's Integrated Risk Management System tracking model (see detailed explanation in section E.6).

E.5. Indicate which risks, including tax risks, have materialised during the year:

During the 2023 financial year, the most relevant risks for the Group, both financial and non-financial, including fiscal risks, did not materialise.

E.6. Explain the response and oversight plans for the company's main risks, including tax risks, as well as the procedures followed by the company in order to ensure that the Board of Directors responds to any new challenges that arise.

As stated in the previous sections, the Company has appointed a Risk Manager for each risk assessed as being critical or high. The Risk Manager is responsible for monitoring each risk assessed and for informing the Risk Control and Management Department of relevant information concerning such risks, basically:

• Changes in the perception of the risk level.
• Effective operation of the checks identified for mitigation of these risks (and, where applicable, the potential effects).
• Values collected using the indicators and comparison with established tolerance levels.
• Status of the actions plans underway (if there is an action plan for this risk) and, where applicable, proposal of new action plans.

The effective operation of this key process of the Integrated Risk Management System is based on the existence of a Tracking Model (as indicated in section E.1) which is a cross-sectional component that allows the System to have dynamic behaviour and, above all, to anticipate risks, allowing for risk management and control within the limits set by the Company. With this as a basis, the persons in charge of risk management periodically provide relevant information to the Risk Unit, which conducts an independent and informed assessment of the Risk Unit and prepares the relevant risk report for the Audit and Compliance Committee, which is assigned to, among others, the role of monitoring the effectiveness of internal control of the Company, internal audit and risk management systems.

The Integrated Risk Management System, alongside of Alba's policies and management and control systems, have made it possible to identify risks and new threats sufficiently in advance, which are the focus of the tracking report that is submitted for inspection to the Board of Directors.

The Regulatory Compliance function coordinates, systematizes and monitors the various actions and efforts in this regard with the Board of Directors approving the compliance model established and its tracking. In 2023, tracking reports were drawn up and submitted to the Audit and Compliance Committee and to the Board of Directors, which have approved them.

Likewise, in relation to crime prevention, the corresponding monitoring reports were submitted to the Audit and Compliance Committee and the Board of Directors in 2023 and approved.

The Integrated Risk Management System (described in section E.1), together with the Risk Management Policy, the Risk Management and Control Function Charter, and the remaining elements of that System, such as the ongoing risk management process, the main participants (section E.2) allow the Board of Directors to identify and respond to issues arising in relation to the risks that may affect the Company.

F. INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS RELATING TO THE PROCESS OF PUBLISHING FINANCIAL INFORMATION (ICFR)

Describe the mechanisms forming your company's Internal Control over Financial Reporting (ICFR) system.

F.1. The entity's control environment.

Report on at least the following, describing their principal features:

F.1.1 The bodies and/or departments that are responsible for: (i) the existence and maintenance of an adequate and effective ICFR system; (ii) its implementation; and (iii) its supervision.

The Internal Financial Information Control System (SCIIF) is part of the risk management and control system of Corporación Financiera Alba, S.A. (hereinafter, "Alba" or the "Group"), the purpose of which is to ensure reasonable security over the reliability of the financial information that Alba, as a listed company, distributes to the stock markets.

The bodies of Alba responsible for the existence and maintenance of an appropriate and effective SCIIF, as well as its duties, are as follows:

(i) The Board of Directors, which has ultimate responsibility in this regard, according to the provisions of article 5 section 2.2.b) of the Regulation of the Board of Directors.

(ii) The Audit and Compliance Committee, for its part, is responsible for supervising the effectiveness of the company's internal checks and audit services, as well as supervising the process of preparing and presenting regulated financial information and the company's internal control systems in this regard. Following Recommendation number 19 of the Technical Guide of the CNMV 3/2017, on Audit Committees of Public Interest Entities, the Board of Directors, at its meeting held in 2017, approved the Audit and Compliance Committee Regulation, which was amended on 26 October 2020 and 13 May 2021.

According to this Regulation, the Audit and Compliance Committee is responsible for:

- Periodically reviewing the internal control and risk management systems, so that the main risks are identified, managed and suitably reported.
- Reviewing the process for preparing the Company's financial information, in order to establish its integrity, technological quality and internal check quality, compliance with regulatory requirements, proper delimitation of the consolidation perimeter, proper application of generally accepted accounting principles and standards, which are duly documented in an Accounts Plan, and compliance with remaining legal requirements concerning this information.
- Ensuring the independence of the department assuming internal audit duties.
- Reviewing updates to financial information on the Company's website.

(iii) The Audit and Compliance Committee is supported by the Internal Audit Service which is responsible for, among other matters, the preparation and execution of an annual action plan; ensuring compliance with established standards and instructions; assessing the sufficiency and application of internal checks; informing the Audit and Compliance Committee of irregularities detected and tracking accepted recommendations. These responsibilities are formalised in the Charter of the Internal Audit Service, which were updated by the Board of Directors in 2017.

In relation to the audit plans on the review of the SCIIF, in 2023, the Audit and Compliance Committee examined the internal audit on the review of the SCIIF carried out in 2022, which indicated that the Company complied with the standards defined within the regulatory framework in the principles proposed by the CNMV and making some proposals to improve its wording. Furthermore, the review of the SCIIF was included in the Internal Audit Plan of Activities for 2023, without any irregularities being detected. The review of the SCIIF was included among the audits of the Plan of Activities for 2024.

(iv) Finally, Financial Management is responsible for designing, establishing and operating the SCIIF, as well as identifying and assessing risks and determining the checks to be established.

F.1.2 Indicate whether the following exist, especially in relation to the drawing up of financial information:

· Departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) clear definition of lines of responsibility and authority with an appropriate distribution of tasks and functions; and (iii) ensuring that adequate procedures exist for their proper dissemination throughout the entity:

The Board of Directors, as established in its Regulation:

• Is responsible for approving the definition of the structure of the Group of companies, as well as the corporate governance policy. Additionally, at the company's first executives' proposal, the Board decides to appoint and potentially to dismiss the Group's senior executives.

• Likewise, the Board reserves, as part of its duties, the right to approve the company's Policies and general strategies of the Company and, in particular, the strategic or business Plan, as well as management targets, the Group's investment and financing Policy, determination of the Risk and Management Policy and the determination of the company's tax strategy. The Board also reserves the power to supervise and check that Management has met the targets set and is respecting the Company's purpose and corporate interests.

Financial Management is principally responsible for preparing the financial information. This Management department establishes the structure of those responsible for financial information and the status of the internal control system for financial information, in addition to coordinating and supervising its actions.

The Board of Directors, through the corresponding areas and departments, ensures that the disclosure of relevant information concerning the Company including, but not limited to, information concerning the summons of the general shareholders' assembly, its agenda, inside information and other relevant information, internal corporate governance regulation and the Annual Report, among other information.

The distribution media used ensures unrestricted communication, in time and form, including its possible publication on the website and/or intranet. The Company's current communication policy, approved in 2020, introduced the policies relating to the communication of financial information, updating the Company's existing Communication Policy.

· Code of conduct, the body approving this, degree of dissemination and instruction, principles and values covered (stating whether there is specific mention of record keeping and preparation of financial information), body charged with analysing breaches and proposing corrective actions and sanctions:

The ALBA Group has had a Code of Ethics and Conduct since December 2011.

The current Code of Ethics and Conduct was approved by resolution of the Board of Directors on 23 October 2023. This new version incorporates certain provisions introduced by Law 2/2023, of 20 February, regulating the protection of persons who report regulatory infringements and the fight against corruption, despite the fact that the Company is not obliged to establish an "internal reporting system" as provided for in the aforementioned Law, as it does not have more than 50 employees.

The Code of Ethics and Conduct of Corporación Financiera Alba, S.A. and its Group companies is the formal expression of the values and principles that must govern the conduct of the entities comprising the ALBA Group and of the persons subject to it, in the performance of their activities and duties, and in their labour, commercial and professional relations, with the aim of achieving universally accepted business ethics.

The Board of Directors is responsible for reviewing and updating the Code of Conduct and supervising its effective compliance, as well as adopting such measures as may be appropriate to coordinate the Code with the rest of the regulatory and procedural elements of corporate governance.

The Code of Ethics and Conduct has been notified individually to all persons affected by it, who have accepted it in writing. The Code is also available on the Company's intranet and on the corporate website.

Training on the Code of Ethics and Conduct, mainly together with training on criminal prevention, and also by means of reminders or computer communications of its most relevant aspects. In 2023, a criminal prevention session was held for executives and middle management and an information note was sent out on the modification of the Code, including its main points. In addition, a copy of the Code has been given to new recruits for their written adherence.

The Group's Code of Conduct is based on the following values:
- Support and respect for internationally recognised human rights.
- Commitment to the United Nations Global Compact.

- Ethical and law-abiding behaviour.
- Fair and respectful treatment of employees and co-workers, ensuring equal opportunities and non-discrimination of individuals.
-Respect for the environment.
- Respect for the interests of others connected with the Company, including customers, suppliers, authorities, shareholders and other stakeholders.
- Professionalism and correctness in the conduct of business, in accordance with corporate policies.
- Prudence in the conduct of business, in the assumption of risks, and in relations with customers and suppliers.
- The treatment of information with rigour, integrity and transparency.

It also addresses the issues of:
- Conflicts of interest and provides guidance for their communication.
- Misuse or misapplication of assets, business opportunities, confidential information and inside information.
- Obligation to report possible breaches of the Code internally, or alternatively, to use the Whistleblower Channel.
- Relations with shareholders, public bodies, and suppliers, contractors and collaborators, as well as the defence of Competition.
- Bribes, gifts and presents.
- Prevention of money laundering and financing of terrorism.
- Dedication and incompatibilities.

Furthermore, section 6.14 of the Code expressly mentions that: "ALBA considers the accuracy of information to be a basic principle of its actions, and the Subject Persons must therefore reliably transfer any information they need to communicate, both internally and externally, and may under no circumstances knowingly provide incorrect or imprecise information that could prompt error or confusion.
Economic/financial information will faithfully reflect the economic, financial and asset reality of ALBA, in accordance with generally accepted accounting principles and international financial reporting standards, as applicable. For these purposes, no Subject Person may conceal or distort information from the accounting reports and records of ALBA, which must be complete, precise and accurate".

For their part, sections 6.17 and 6.19, state that:

"Any information conveyed to shareholders will be accurate and complete, and will properly reflect ALBA's position"

"The reporting of financial information or any other information issued in the name of ALBA must under no circumstances contain any misleading, fictitious or insufficiently corroborated data."

The body responsible for ensuring compliance with the Code and proposing corrective measures, where appropriate, is the Code of Ethics and Conduct Monitoring Committee.

· • Whistleblower channel allowing notifications to the audit committee of irregularities of a financial and accounting nature, in addition to potential breaches of the code of conduct and unlawful activities undertaken in the organisation, indicating whether this channel is confidential and whether anonymous notifications can be made, protecting the rights of the whistleblower and the person reported.

The current Code of Ethics and Conduct was approved by resolution of the Board of Directors on 23 October 2023. This new version incorporates certain provisions introduced by Law 2/2023 of 20 February, regulating the protection of persons who report regulatory infringements and the fight against corruption, although the Company is not obliged to establish an "internal reporting system" as provided for in the Law, as it does not have more than fifty employees.

The Code of Ethics and Conduct regulates, as an appendix, the procedure for receiving, processing and resolving communications related to the commission of acts or conduct that may be contrary to the applicable regulations or to ALBA's Code of Ethics and Conduct within the company, in the actions of third parties contracting with it or to its detriment, through an internal communication channel ("Whistle-blowing Channel").

This channel, which allows confidential reporting of the acts or conduct described above, may be used by the members of the Board of Directors of the Company and of the other Group companies, their employees and third parties providing services to ALBA, as well as by any other person who has knowledge of this type of act or conduct. There is also the possibility of anonymous communications in certain cases.

The description of how the Whistleblowing Channel works identifies the persons to whom these communications may be addressed (Chairman of the Audit and Compliance Committee or the Code of Ethics and Conduct Monitoring Committee) and the channels for doing so (via the corporate website, e-mail or ordinary mail to the address of the persons in charge indicated).

The preliminary examination for admission or filing of the communication is entrusted to the Chairman of the Audit and Compliance Committee.

The procedure for processing communications is regulated in detail and entrusted to the Code of Ethics and Conduct Monitoring Committee, unless they are directed against any of its members, in which case the preliminary examination and processing will be entrusted to the Chairman of the Audit and Compliance Committee.

The Monitoring Committee is composed of the Secretary of the Board, the Chief Financial Officer, a member of the Investment Department and a member of the Legal Department.

The procedure also establishes the cases in which the Communications may not be accepted for processing; the rights of the informants and affected persons; and the possibility of adopting any additional urgent measures that may be necessary to guarantee the correct development of the investigation or to protect the informant.

Furthermore, reference should be made to the Crime Prevention Model, whose Manual was updated in 2020, and which has the following objectives:

- To raise awareness and train Directors, Executives and employees of the Group on the importance of regulatory compliance, and in particular, on the prevention of criminal risks.
- To inform employees of the consequences of breaching the provisions of the Code of Ethics and Conduct and the Crime Prevention Manual.
- Expressly state Alba's categorical condemnation of any illegal behaviour that contravenes legal provisions and is contrary to the Group's values.

The Audit and Compliance Committee has considered the monitoring of the Crime Prevention Model to be adequate.

· Training and periodic refresher programmes for personnel involved in the preparation and revision of financial information, as well as in the assessment of the ICFR system, covering at least accounting standards, auditing, internal control and risk management:

Staff involved in preparing and reviewing financial information, as well managing and supervising the SCIIF, receives, based on their various responsibilities, periodical training concerning accounting, auditing, internal control and risk management regulation.

In this manner, Financial Management periodically makes training efforts for staff involved in preparing the Financial Statements and managing the Group’s SCIIF. These training actions are primarily focused on deepening knowledge and update to International Financial Reporting Standards (IFRS) and legislation and other regulations concerning Internal Control of Financial Information.

Likewise, the staff of the Internal Audit Service is updated on a continued basis concerning changes to Internal Controls, especially Financial Information and Risk Management.

Additionally, Financial Management and other areas involved in the preparation, review and reporting of financial information have received various publications updating accounting, financial, internal control and tax regulation.

F.2. **Assessment of risks in financial reporting.**

Report on at least the following:

F.2.1 The main characteristics of the risk identification process, including risks of error and fraud, as regards:

· Whether the process exists and is documented:

The Risk Map, created after a process during which all types of business risks were identified (operational, technological, financial, legal, reputational, environmental, etc.) which could affect the attainment of the Company's objectives was approved by the Board of Directors.

The Risk Map updated in 2022 has been reviewed in 2023 and no further update was deemed necessary during the year. The next update of the Risk Map will take place in 2024.

Likewise, Alba has a process for identifying and assessing specific risks concerning financial information, both in terms of its consolidated accounts, the entity and business processes, which is updated at least once a year.

The process is updated annually at the very least. The process is based on the consolidated financial information and uses this information to categorise accounting headings and notes, as well as identifying those which are the most relevant, according to quantitative (material aspects) and qualitative criteria.

The categorised headings and notes are associated with the Group's processes or business areas, in order to classify these processes or business areas in terms of their relevance in generating financial information.

The most important processes or areas are analysed and documented. These documents identify and analyse transaction flows, possible risks of error or fraud in the financial information, associated checks which mitigate these risks and features such as Integrity, Existence & Occurrence, Rights & Obligations, Measurement & Valuation and Presentation.

The process and criteria used for assessing these risks are documented in the "ALBA Group's Internal Control System on Financial Information (SCIIF) Manual", the latest revision carried out was in 2019.

· Whether the process covers all the objectives of financial reporting, (existence and occurrence; completeness; valuation; presentation; disclosure and comparability; and rights and obligations), whether it is updated and if so how often.

As discussed above, the significant processes or areas generating financial information are analysed on at least an annual basis, in order to identify possible risks of error or fraud involving the financial information, and as regards its objectives of Integrity, Existence & Occurrence, Rights & Obligations, Measurement & Valuation and Presentation, which cover all the objectives of the financial information.

· The existence of a process for identifying the scope of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles:

Financial Management is responsible for analysing the companies that are included and those that are no longer part of this perimeter, as well as any change to the percentage ownership interest in these companies. Both the incorporation and winding up of companies, as well as the acquisition and sale of interests in companies are subject to internal authorisation processes that make it possible to clearly identify incoming items, outgoing items and changes to the consolidation perimeter.

The Group's scope of consolidation is submitted to the Audit and Compliance Committee every six months.

The main duties of the Audit and Compliance Committee are to review the "process for preparing the Company's financial information, with a view to confirming its integrity, technological quality and for internal control, as well as compliance with regulatory requirements, proper delimitation of the consolidation perimeter, proper application of generally accepted accounting principles and standards, and compliance with remaining legal requirements concerning this information."

· Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements:

The process for identifying risks of error or fraud in the financial information takes into account the effects of other types of risks (operational, technological, financial, legal, reputational, environmental etc.), to the extent that these affect the financial statements. These risks are assessed and managed by the Company (according to the description in Section E of this Report).

· The governing body within the company that supervises the process:

The Financial Management is responsible of the process for identifying and assessing specific risks concerning financial information, both in terms of its consolidated accounts, the entity and business processes, which is updated at least once a year. Likewise, the Audit and Compliance Committee is responsible for its supervision.

F.3. **Control activities.**

Report on whether the company has at least the following, describing their main characteristics:

F3.1.1 Review and authorisation procedures for financial information and a description of the ICFR, to be disclosed to the securities markets, indicating those responsible, as well as documentation describing the flow of activity and controls (including those relating to the risk of fraud) of the various types of transactions which may materially affect the financial statements, including accounting closing procedures and the specific review of significant judgements, estimates, valuations and projections.

According to the provisions of the Regulation of the Board of Directors:
• The approval of financial information to be made periodically is the responsibility of the Board of Directors (including the description of the Group SCIIF).
• Likewise, when the financial statements are submitted for deliberation by the Board of Directors, they must first be certified with regard to their accuracy and integrity, by the General Managers and the Chief Financial Officer.

Additionally, according to the provisions of the Regulation of the Audit and Compliance Committee:
• The main duties of the Audit and Compliance Committee are to review the process for preparing the Company's financial information, with a view to confirming its integrity, technological quality and for internal control, as well as compliance with regulatory requirements, proper delimitation of the scope of consolidation, proper application of generally accepted accounting principles and standards, and compliance with remaining legal requirements concerning this information.

The information review process takes the following flow:

The Group has a procedure for closing the accounts and performs a specific review of opinions, estimates, valuations and relevant forecasts. The respective units make the estimates, ratings or projections of those aspects that they are competent and the reasonableness of them is valued by the Financial Management; they are subsequently submitted to the Audit and Compliance Committee and the Board of Directors, as part of the exposure of the financial statements.

Due to the removal of the obligation to publish quarterly financial information, as set out in Law 5/2021 of 12 April, the Board, in agreement with the Audit and Compliance Committee, decided to cease publishing the quarterly financial information as of the third quarter of 2021, given its voluntary nature.

All financial information is prepared by the Financial Department, which during the accounting year-end process, carries out all the control activities defined therein, analysing and reviewing the information prepared. The information prepared is then sent to the Audit and Compliance Committee for its supervision.

The six monthly financial reports and the individual and consolidated annual accounts of Alba, the Report and the Annual Corporate Governance Report (which includes, by way of additional information, a description of the SCIIF) are reviewed by the Audit and Compliance Committee before being reviewed by the Board of Directors. Likewise, the Audit and Compliance Committee reviews the remaining financial information and any other relevant information before submitting this information to the markets or to the supervisory bodies.

The Group has an internal financial information control system based on the COSO [Committee of Sponsoring Organisations of the Treadway Commission] model, which provides reasonable certainty with regards to achieving the targets of this system, in other words: effectiveness and efficiency of the operations, safeguard of the assets, reliability of the financial reports and compliance with the applicable laws and regulations, the latest version being 2019.

The principles and criteria for defining and managing the SCIIF are documented in the Group's SCIIF Manual. The Group has documents describing the flows of activities and checks (including those associated with the risk of fraud) of the various kinds of transactions that can have a real impact on the financial statements. These documents include the significant and matrix processes for risks and checks.

According to the SCIIF Manual, Financial Management is responsible for identifying and documenting these significant processes in addition to being responsible for managing the internal SCIIF certification process for evaluating its efficiency.

F.3.2 Internal IT control policies and procedures (access security, control of changes, system operation, operational continuity and segregation of duties, among others) which support significant processes within the company relating to the preparation and publication of financial information.

Among the checks considered for mitigating or managing risks of error in the financial information, there are some related to more relevant IT applications, such as checks of user access permits or those related to the integrity of the transfer of information between applications.

Additionally, the Group has guidelines or regulations and internal control procedures on information systems regarding software acquisition and development, system infrastructure acquisition, software installation and testing, change management, service level management, third-party service management, system security and access, incident management, operations management, operations continuity and segregation of duties.

These guidelines and procedures are applied to all the information systems, including those that support the relevant financial information generation processes, and on the infrastructure needed for its operation.

This entire internal network of IT infrastructure is controlled by a Department of internal professionals responsible for defining and executing the Group's IT strategy, as well as supporting users, operating the system and IT security.

Likewise, the Group has systems security and contingency programmes.

The Group's SCIIF Manual provides that, on an annual basis, the systems manager of the group certifies the effectiveness of the internal checks established for the IT systems.

F.3.3 Internal control policies and procedures for overseeing the management of activities subcontracted to third parties, as well as of those aspects of assessment, calculation or valuation entrusted to independent experts, which may materially affect financial statements.

Generally speaking, the ALBA Group does not subcontract important duties to third parties that have a direct impact on the financial information, evaluations, calculations or valuations that could have a material impact on the financial statements, with the exception of the valuation of its investments in property, the actuarial valuation of pensions and the valuation of investments in non-listed companies.

When selecting suppliers for appraising property and investments in unlisted companies, there are internal controls in place which include the following supervisory criteria. Type and frequency of the reports; competence and independence of the provider; methodology and validation of the information and database used for the analysis; reasonableness of the hypotheses and criteria applied; methodology for reviewing the findings and Reports prepared.

With regard to the actuary valuation of pensions, the existence of the policies used as well as the coherence and consistency of the databases used is checked.

F.4. Information and communication

Report on whether the company has at least the following, describing their main characteristics:

F.4.1 A specifically assigned function for defining and updating accounting policies (accounting policy area or department) and resolving doubts or conflicts arising from their interpretation, maintaining a free flow of information to those responsible for operations in the organisation, as well as an up-to-date accounting policy manual distributed to the business units through which the company operates.

Financial Management is responsible for defining and keeping accounting policies up-to-date as well as resolving doubts or conflicts associated with their interpretation and maintaining smooth communication with those responsible for operations in the organisation. To this end, accounting changes are periodically identified and communicated to the various Management supervisors. Likewise, in the event that application queries arise, these are referred to and resolved by the Head of Administration and the Chief Financial Officer.

Alba considers that accounting standards are directly applicable, given the low level of complexity of its transactions. Accounting standards are kept up-to-date and are at the disposal of Financial Department staff.

F.4.2 Mechanisms for capturing and preparing financial information in standardised formats for application and use by all units of the entity or group, and support its main financial statements and notes, as well as disclosures concerning ICFR.

The Group has mechanisms for capturing and preparing financial information, with suitable formats and applications, which is used by all the departments. Centralised and uniform IT systems are used for the Group. Likewise, there are checks that are needed for the IT systems and a supervisory and review process is performed by Financial Management.

F.5. **Supervision of the functioning of the system.**

Report on at least the following, describing their principal features:

F.5.1 The activities of the audit committee in overseeing ICFR as well as whether there is an internal audit function one of the responsibilities of which is to provide support to the committee in its task of supervising the internal control system, including ICFRF. Additionally, describe the scope of ICFR assessment made during the year and the procedure through which the person responsible for performing the assessment communicates its results, whether the company has an action plan detailing possible corrective measures, and whether their impact on financial reporting has been considered.

The Regulations of the Board of Directors and the Regulations of the Audit and Compliance Committee entrust the following duties to the Audit and Compliance Committee:
• Supervise the efficiency of the internal control of the company, the internal audit and the risk management systems, including tax risks, discussing significant weaknesses in the internal control system that are detected as part of the audit with the accounts auditor.
• Supervise the process for preparing and presenting the mandatory financial information.

The SCIIF supervisory activities performed by the Audit and Compliance Committee essentially include:
• Monitoring the process of evaluating the SCIIF by Financial Management.
• Reviewing the process for preparing the Company's financial information, with a focus in confirming its integrity, technological quality and for internal control, as well as compliance with regulatory requirements, proper delimitation of the consolidation perimeter, proper application of generally accepted accounting principles and standards, and compliance with remaining legal requirements concerning this information.
• Reviewing the periodical financial statements that must be submitted by the Company to the markets and its supervisory bodies, prior to approval by the Board, in its plenary session.
• Evaluating and approving the proposals suggested by Management concerning changes to the accounting principles and standards.
• Supervising Management's decisions of adjustments proposed by the external auditor, as well as familiarising itself with and, where applicable, mediating in disagreements between them.
• Reviewing, with the support of the Internal Audit Service, the design and operation of the internal control system, in order to evaluate its effectiveness and,
• Holding periodical meetings with external auditors, internal auditors and senior management in order to review, analyse and discuss the financial information, the perimeter of companies they cover and the accounting criteria applied, as well as, where applicable, significant internal control weaknesses identified.

Additionally, the Audit and Compliance Committee is responsible for overseeing the definition of the Annual and Strategic Internal Audit Plan as well as its development in the SCIIF.

Likewise, the Group has had an Internal Audit Service, whose Articles of Association provide that it is its responsibility to ensure that this process happens and that the checks established work effectively. Its role is targeted towards assisting the Group in maintaining effective checks, by evaluating the efficiency and effectiveness of them and driving efforts of continuous improvement. The Regulations of the Internal Audit Service were updated by the Board of Directors in 2017.

According to the Group's SCIIF Manual, the Audit and Compliance Committee has entrusted performing this duty to the Internal Audit Service. The SCIIF supervision process, via the Internal Audit Service, includes the following tasks:
• Validate the SCIIF model with regard to the definition of the SCIIF scope or the documents concerning the significant processes (Narrative and Risk and Control Matrixes).
• Review and evaluating the process and the findings concerning the effectiveness resulting from the annual review performed by Financial Management.
• Include, as part of the Internal Audit Strategic Plan and the Internal Audit Annual Plan, where applicable, the SCIIF processes to be reviewed.
• Assess and communicate the results obtained from the SCIIF supervision process and the checks on the processes involving the affected department and the Financial Management.
• Inform the Audit and Compliance Committee of the degree of progress of the supervision, the results obtained and the weaknesses detected, where applicable, when presenting the degree of progress and results of the internal audit works for the financial year.

Finally, the Group's SCIIF Manual sets criteria for categorising issues based on their potential impact on financial information and probability of occurrence after detection and subsequent communication and monitoring process.

F.5.2 Whether there is a discussion procedure whereby the auditor (as defined in the Spanish Technical Audit Standards), the internal auditor and other experts can report to senior management and the audit committee or directors of the company any significant weaknesses in internal control identified during the review of the annual financial statements or any others they have been assigned. Additionally, state whether an action plan is available for correcting or mitigating any weaknesses detected.

Generally speaking, the discussion procedure concerning significant internal control weaknesses identified is based on periodical meetings which the various agents hold.

To this end, the Audit and Compliance Committee holds meetings with Internal Auditing and Financial Management for the bi-annual and for the annual closure and, also, with the External Auditor, for the annual closure, in order to discuss any relevant aspect of the process of preparing the resulting financial information.

Specifically, the Regulations of the Board of Directors and the Regulations of the Audit and Compliance Committee provide that the Audit and Compliance Committee must:
• Discuss the significant weaknesses in the internal control system detected when performing the audit with the accounts auditors or audit firms.
• Establish appropriate relations with the accounts auditors or audit firms in order to receive information concerning matters that could threaten their independence, for examination by the Committee, and any other matter related to the process of performing the accounts audit, as well as other announcements provided in accounts auditing legislation and in auditing standards.

For its part, the Articles of Association of the Internal Audit Service provide that the Audit and Compliance Committee must maintain free and open communication with the Director of the Internal Audit Service. Specifically, the Director of the Internal Audit Service has direct access to the Audit and Compliance Committee, with which it will address the following matters, among others:
• The significant events observed when performing the internal audits.
• The degree of compliance with the most relevant recommendations.
• The most significant risks and the level of Internal Control in the Group, bearing in mind the results of the audits performed and the evaluation of the Internal Control performed by the Internal Audit Service.
• Coordination with external auditors and the remaining individuals responsible for supervising the Internal Control.

Likewise, Financial Management also holds meetings with the Internal Audit Service, both for the bi-annual closure and for the annual closure, and with External Auditors for the annual closure, with a view to addressing significant questions concerning the financial information.

F.6. **Other relevant information.**

The Company, with the approval of the Audit and Compliance Committee, has had an updated SCIIF Manual.

In addition to the SCIIF supervision process (entrusted to the Internal Audit Service), according to the ALBA's SCIIF Manual, in 2023 the corresponding process for the annual evaluation of the effectiveness and validity of the process was performed by Financial Management.

In the development of the Risk Management function, entrusted to the Risk Management and Control Unit, Alba has since 2015 a Charter for the Risk Management and Control Function which allows this Unit to supervise the smooth running of the risk control and management systems and, specifically, that all the important risks affecting the company are identified, managed and appropriately quantified; actively participate in preparing the risk strategy and important decisions concerning its management; and ensure that the risk control and management systems appropriately mitigate risks, as part of the policy identified by the Board of Directors.

Likewise, the purpose of the Regulatory Compliance service is to provide reasonable security that Alba is complying with key legal and normative requirements, identifying the main legislative and normative obligations of the company, designing a compliance model and a monitoring and tracking model for the Compliance activities. In 2020, the Crime Prevention Model was updated with this in mind. In 2018, the Board of Directors approved a Charter for the Regulatory Compliance Function so that the Compliance Unit can establish adequate control and an efficient and prudent management of regulatory obligations.

F.7. **External auditor's report.**

Report:

F.7.1 Whether the ICFR information sent to the markets has been subjected to review by the external auditor, in which case the entity should include the corresponding report as an attachment. If not, reasons why should be given.

The SCIIF information sent to the markets was submitted for review by the external auditor, whose report is attached as an Annex.

G. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Specify the company's degree of compliance with recommendations of the Good Governance Code for listed companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company´s conduct. General explanations are not acceptable.

1. That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market.

   Complies [X]   Explain [ ]

2. That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:

   a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.

   b) The mechanisms in place to resolve any conflicts of interest that may arise.

   Complies [ ]   Complies partially [ ]   Explain [ ]   Not applicable [X]

3. That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:

   a) Changes that have occurred since the last General Shareholders' Meeting.

   b) Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

   Complies [X]   Complies partially [ ]   Explain [ ]

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

   And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

   Complies [X]   Complies partially [ ]   Explain [ ]

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of preemptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of preemptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies [X] Complies partially [ ] Explain [ ]

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

a) Report on the auditor's independence.

b) Reports on the workings of the audit and nomination and remuneration committees.

c) Report by the audit committee on related party transactions.

Complies [X] Complies partially [ ] Explain [ ]

7. That the company should transmit in real time, through its website, the proceedings of the General Shareholders' Meetings.

And that the company should have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Meeting to be conducted by such remote means.

Complies [X] Complies partially [ ] Explain [ ]

8. That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chairman of the audit committee should clearly explain to the general meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and reports.

Complies [X] Complies partially [ ] Explain [ ]

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory fashion.

Complies [X] Complies partially [ ] Explain [ ]

10. That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:

a) Should immediately distribute such complementary points and new proposals for resolutions.

b) Should publish the attendance, proxy and remote voting card specimen with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the Board of Directors.

c) Should submit all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.

d) That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.

Complies [ ] Complies partially [ ] Explain [ ] Not applicable [X]

In 2023, there was no situation in which this recommendation was applied.

11. That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.

Complies [ ] Complies partially [ ] Explain [ ] Not applicable [X]

12. That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment the community as a whole and the environment.

Complies [X] Complies partially [ ] Explain [ ]

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

Complies [X] Explain [ ]

14. That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:

a) Is concrete and verifiable;

b) Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and

c) Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the nomination committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

The nomination committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies [X] Complies partially [ ] Explain [ ]

15. That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less than 30% prior to that date.

Complies [X] Complies partially [ ] Explain [ ]

In 2019 and 2020, 33.33% of the members of the Board were women, exceeding the target of 30% for Female Directors, which had been set for 2020.
In 2021, the figure of 40% for female Directors was reached, which has been maintained in 2023. For the third consecutive year, the target established by the recommendation for the end of 2022 and thereafter has been met.

16. That the number of proprietary directors as a percentage of the total number of non- executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This criterion may be relaxed:

a) In large-cap companies where very few shareholdings are legally considered significant.

b) In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.

Complies [X] Explain [ ]

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company’s share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies [X] Explain [ ]

18. That companies should publish the following information on its directors on their website, and keep it up to date:

a) Professional profile and biography.

b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.

c) Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.

d) Date of their first appointment as a director of the company’s Board of Directors, and any subsequent re-elections.

e) Company shares and share options that they own.

Complies [X] Complies partially [ ] Explain [ ]

19. That the annual corporate governance report, after verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.

Complies [ ] Complies partially [ ] Explain [ ] Not applicable [X]

20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.

Complies [X] Complies partially [ ] Explain [ ] Not applicable [ ]

In 2023, there was no situation in which this recommendation was applied.

21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.

The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies [X] Explain [ ]

In 2023, there was no situation in which this recommendation was applied.

22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This
without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented.

Complies [X] Complies partially [ ] Explain [ ]

Article 19.4 of the Rules and Regulations of the Board of Directors, amended in 2020, expressly establishes that Directors must inform the Board when circumstances arise which affect them, whether or not related to their actions in the company itself, and in particular of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

When the Board is informed or becomes aware of any of the circumstances mentioned in the above paragraph, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the Appointments and Remuneration Committee, whether or not any measure must be adopted, such as opening an internal investigation, asking the director to resign or proposing that he or she be dismissed. These events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes.

In 2023, there was no situation in which this recommendation was applied.

23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company's interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the Board of Directors.

    Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

    This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.

Complies [X]   Complies partially [ ]   Explain [ ]   Not applicable [ ]

Article 15.5 of the Regulations of the Board specifically provides that "Board Members must clearly express their opposition when they think that any proposed decision brought before the Board of Directors could be contrary to the interests of the company. They must likewise do so, in particular in the case of independent Directors and others not affected by a potential conflict of interest, in the case of decisions that could be to the detriment of shareholders not represented on the Board.

In 2023, there was no situation in which this recommendation was applied.

24. That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

    And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Complies [X]   Complies partially [ ]   Explain [ ]   Not applicable [ ]

In 2023, there was no situation in which this recommendation was applied.

25. That the nomination committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

    And that the Board regulations establish the maximum number of company Boards on which directors may sit.

Complies [X]   Complies partially [ ]   Explain [ ]

26. That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies [X]   Complies partially [ ]   Explain [ ]

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And

when absences do occur, that the director appoint a proxy with instructions.

Complies [X]   Complies partially [ ]   Explain [ ]

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.

Complies [X]   Complies partially [ ]   Explain [ ]   Not applicable [ ]

Article 15.6 of the Board Regulation specifies that when the Board members or the Secretary express concern about any proposal or, in the case of Board members, concerning the running of the Company and these concerns are not resolved by the Board, at the request of the person who expressed the concerns, they may request that this be recorded in the minutes of the meeting.

In 2023, there was no situation in which this recommendation was applied.

29. That the company should establish adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.

Complies [X]   Complies partially [ ]   Explain [ ]

30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.

Complies [X]   Explain [ ]   Not applicable [ ]

31. That the agenda for meetings should clearly indicate those matters on which the Board of Directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

When, in exceptional circumstances, the chairman wishes to bring urgent matters for decision or resolution before the Board of Directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

Complies [X]   Complies partially [ ]   Explain [ ]

During the year 2023, no exceptional situation has arisen in which the second paragraph of this recommendation has been applicable.

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies [X]   Complies partially [ ]   Explain [ ]

33. That the chairman, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out the duties assigned by law and the articles of incorporation, should prepare and submit to the Board of Directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.

Complies [X]   Complies partially [ ]   Explain [ ]

34. That when there is a coordinating director, the articles of incorporation or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the chairman and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

Complies [ ] Complies partially [ ] Explain [ ] Not applicable [X]

According to the provisions of article 529 f.2 of the Capital Companies Act, the appointment of a Coordinating Board Member is only provided for cases in which the Chairman of the Board of Directors is also an Executive Director, which is not the case with Corporación Financiera Alba, S.A.

However, since this is considered as a good Corporate Governance practice and in order to facilitate its actions, the Board of Directors of Corporación Financiera Alba, S.A., in 2016, appointed, with the abstention of the executive Board Members, one Coordinating Board Member from the independent Board Members. In 2021, expired the Coordinating Board Member's term of office as Director, the Board of Directors appointed a new Coordinating Board Member from the independent Board Members, whose position remains in force.

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies [X] Explain [ ]

36. That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:

a) The quality and efficiency of the Board of Directors' work.

b) The workings and composition of its committees.

c) Diversity in the composition and skills of the Board of Directors.

d) Performance of the chairman of the Board of Directors and of the chief executive officer of the company.

e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies [X] Complies partially [ ] Explain [ ]

In relation to the activities of the Board in 2023, the assessment process was carried out under the coordination of the Chairman of the Board of Directors and with the participation of the Board Members, and relevantly, of the Coordinating Board Member (by answering questionnaires prepared for this purpose), of the different Committees (by preparing reports concerning their activities in the financial year) and with the intervention of the Appointments and Remunerations Committee. The Board assessment report includes some findings concerning the smooth running of the Board.

The last evaluation of the Council's activity with the collaboration of an external consultant was carried out in 2023, in relation to its activity in 2022.

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Complies [ ] Complies partially [ ] Explain [ ] Not applicable [X]

38. That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.

Complies [ ] Complies partially [ ] Explain [ ] Not applicable [X]

39. That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies [X] Complies partially [ ] Explain [ ]

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the Board or of the audit committee.

Complies [X] Complies partially [ ] Explain [ ]

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies [X] Complies partially [ ] Explain [ ] Not applicable [ ]

42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:

a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational, technological, legal, social, environmental, political and reputational risk, or risk related to corruption – reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria

b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.

c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.

d) Generally ensuring that internal control policies and systems are effectively applied in practice.

2. With regard to the external auditor:

a) In the event that the external auditor resigns, examining the circumstances leading to such resignation.

b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's Independence.

c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.

d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.

e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies [X] Complies partially [ ] Explain [ ]

43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies [X] Complies partially [ ] Explain [ ]

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies [X] Complies partially [ ] Explain [ ] Not applicable [ ]

45. That the risk management and control policy identify or determine, as a minimum:

a) The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which
the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.

b) A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.

c) The level of risk that the company considers to be acceptable.

d) Measures in place to mitigate the impact of the risks identified in the event that they should materialised.

e) Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies [X] Complies partially [ ] Explain [ ]

46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:

a) Ensuring the proper functioning of the risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.

b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.

c) Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.

Complies [X] Complies partially [ ] Explain [ ]

47. That in designating the members of the nomination and remuneration committee – or of the nomination committee and the remuneration committee if they are separate – can be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies [X] Complies partially [ ] Explain [ ]

48. That large-cap companies have separate nomination and remuneration committees.

Complies [ ] Explain [ ] Not applicable [X]

49. That the nomination committee consult with the chairman of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies [X] Complies partially [ ] Explain [ ]

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

a) Proposing the basic conditions of employment for senior management to the Board of Directors.

b) Verifying compliance with the company's remuneration policy.

c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.

d) Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.

e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies [X] Complies partially [ ] Explain [ ]

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies [X] Complies partially [ ] Explain [ ]

52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

a) That they be composed exclusively of non-executive directors, with a majority of independent directors.

b) That their chairpersons be independent directors.

c) That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.

d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.

e) That their meetings be recorded and their minutes be made available to all directors.

Complies [ ] Complies partially [ ] Explain [ ] Not applicable [X]

The Company does not have a specific supervision and control committee, although these functions are entrusted to the Audit and Compliance Committee, which complies with the recommendations set out in this section.

The functions of the Audit and Compliance Committee are described in section C.2.1.

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self- organisation, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies [X] Complies partially [ ] Explain [ ]

54. The minimum functions referred to in the foregoing recommendation are the following:

a) Monitoring of compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.

b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.

c) The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.

d) Supervision of the company's environmental and social practices to ensure that they are in alignment with the established strategy and policy.

e) Supervision and evaluation of the way in which relations with the various stakeholders are handled.

Complies [X] Complies partially [ ] Explain [ ]

55. That environmental and social sustainability policies identify and include at least the following:

a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct.

b) Means or systems for monitoring compliance with these policies, their associated risks, and management.

c) Means or systems for monitoring compliance with these policies, their associated risks, and management.

d) Channels of communication, participation and dialogue with stakeholders.

e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.

Complies [X] Complies partially [ ] Explain [ ]

56. That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies [X] Explain [ ]

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies [ ] Complies partially [X] Explain [ ]

Although the Company had no executive directors during 2023, the current Remuneration Policy, the annual variable remuneration and the multi-year variable remuneration only can be established in favour of this type of Executive Board Members.

58. That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

And, in particular, that variable remuneration components:

a) Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.

b) Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.

c) Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies [X] Complies partially [ ] Explain [ ] Not applicable [ ]

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance

or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies [X]   Complies partially [ ]   Explain [ ]   Not applicable [ ]

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies [X]   Complies partially [ ]   Explain [ ]   Not applicable [ ]

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies [X]   Complies partially [ ]   Explain [ ]   Not applicable [ ]

The current Remuneration Policy provides for annual variable remuneration and multi-year variable remuneration for executive directors linked to the grant of stock options and/or delivery of shares, subject to approval by the General Meeting. During 2023, the Company did not have any executive directors.

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies [ ]   Complies partially [ ]   Explain [ ]   Not applicable [X]

In 2023, no variable remuneration plan was established for executive board members, as there were no board member belonging this category.

In 2023 the variable remuneration plan referenced to the share value approved by the Company's General Shareholders' Meeting on 18 June 2020 matured. This plan has generated an effective remuneration of €18.30/unit, having complied with the Recommendation of paying out the remuneration after a period of 3 years. The rights derived from the Plan were non-transferable except in case of death of the beneficiary.

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies [X]   Complies partially [ ]   Explain [ ]   Not applicable [ ]

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or

conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies [ ] Complies partially [X] Explain [ ] Not applicable [ ]

As provided for in the Remuneration Policy, in the event of Executive Board Members who have not had a previous employment relationship with Alba, the payments for termination of the contract will consist of a compensation equivalent to one year's Fixed Remuneration, increased by one twelfth of that year's Fixed Remuneration for each year of service in Alba, subject to a limit of two years, deducting the amount of the fund established as the pension supplement to which the Board Member will be entitled in full.

If an Executive Board Member who has had a previous employment relationship with Alba is dismissed, if the previous employment relationship is resumed and terminated by decision of Alba, the compensation will be in accordance with employment regulations, and the greater of the following amounts will be paid (i) the amount of the fund set up as a pension supplement, or (ii) the amount of one year’s Fixed Remuneration, plus one twelfth of that annuity for each year of service with Alba.

In both cases, the compensation is not paid until it is verified that the performance criteria established have been met.

In 2023, the Company did not have executive board members, therefore the Recommendation was not applicable.

H. FURTHER INFORMATION OF INTEREST

1. If there is any significant aspect regarding corporate governance in the company or other companies in the group that has not been included in other sections of this report, but which it is necessary to include in order to provide a more comprehensive and reasoned picture of the structure and governance practices in the company or its group, describe them briefly below.

2. This section may also be used to provide any other information, explanation or clarification relating to previous sections of the report, so long as it is relevant and not repetitive.

   Specifically, indicate whether the company is subject to any corporate governance legislation other than that of Spain and, if so, include any information required under this legislation that differs from the data required in this report.

3. The company may also indicate whether it has voluntarily subscribed to other ethical or best practice codes, whether international, sector-based, or other. In such case, name the code in question and the date on which the company subscribed to it. Specific mention must be made as to whether the company adheres to the Code of Good Tax Practices of 20 July 2010.

H.1.1. and H.1.2.

SECTION C.1.7.

At the beginning of 2023, the Board of Directors' Skills Matrix and the result of the assessment by the Directors that took place in 2022 has been ratified.

SKILLS	TOTAL DIRECTORS	%
Investments and Capital Risk	9	90
Financial Sector	5	50
Industrial Sector	10	100
Accounting, Finance, Risks	10	100
Senior Management	10	100
HR and Organisation	7	70
Good environmental, social and corporate governance practices	9	90
Strategy	10	100
Technology and Digital Transformation	5	50
International	8	80

SECTION C.1.30

The Company has appointed an external verifier for the verification of the Non-Financial Information Statement. The Audit and Compliance Committee has participated in the selection process of this external verifier.

SECTION D.
Below follows the transactions that the Company or group companies have had with a significant shareholder, that are not related to the concepts detailed under the headings of section D.

In 2023, the significant shareholder, Banca March, received 684 thousand euros in dividends and other distributed benefits from Corporación Financiera Alba, S.A.

H.1.3. Adherence to codes of ethics or good practices.

a) The Company has adhered to the United Nations Global Compact since 22 December 2015, as a signatory member.

b) In 2020, Corporación Financiera Alba, by way of resolution of its Board of Directors, it added to the Code of Good Tax Practices backed by the Ministry of Economy and Public Finance (20/07/2010), with the aim to reinforce its commitment, not only in complying with tax regulations, but also its active and transparent contribution to sustainability.

In relation to this Code, Alba has fulfilled its tax obligations and presented the corresponding returns; it has not used opaque infrastructures or base companies in tax havens or non-cooperating jurisdictions; it has not detected any fraudulent tax practices; and it has informed the Board of Directors and the Audit and Compliance Committee of the compliance with the approved Tax Policy.

This Annual Corporate Governance Report was approved by the Board of Directors of the company in its meeting held on:

18/03/2024

Indicate whether any director voted against or abstained from approving this report.

[ ] Yes
[√] No

Corporación Financiera Alba, S.A.

Informe de auditor referido a la "Información relativa al Sistema de Control Interno sobre la Información Financiera (SCIIF)" de Corporación Financiera Alba, S.A. correspondiente al ejercicio 2023

KPMG Auditores, S.L.
Paseo de la Castellana 259 C
28046 Madrid

Informe de auditor referido a la "Información relativa al Sistema de Control Interno sobre la Información Financiera (SCIIF)" de Corporación Financiera Alba correspondiente al ejercicio 2023

A los administradores de Corporación Financiera Alba, S.A.

De acuerdo con la solicitud del Consejo de Administración de Corporación Financiera Alba, S.A. (la "Sociedad") y con nuestra carta propuesta de fecha 5 de marzo de 2024, hemos aplicado determinados procedimientos sobre la "Información relativa al SCIIF" adjunta en el apartado F del Informe Anual de Gobierno Corporativo de Corporación Financiera Alba, S.A. correspondiente al ejercicio 2023, en el que se resumen los procedimientos de control interno de la Entidad en relación a la información financiera anual.

El Consejo de Administración es responsable de adoptar las medidas oportunas para garantizar razonablemente la implantación, mantenimiento y supervisión de un adecuado sistema de control interno así como del desarrollo de mejoras de dicho sistema y de la preparación y establecimiento del contenido de la Información relativa al SCIIF adjunta.

En este sentido, hay que tener en cuenta que, con independencia de la calidad del diseño y operatividad del sistema de control interno adoptado por la Entidad en relación a la información financiera anual, éste sólo puede permitir una seguridad razonable, pero no absoluta, en relación con los objetivos que persigue, debido a las limitaciones inherentes a todo sistema de control interno.

En el curso de nuestro trabajo de auditoría de las cuentas anuales y conforme a las Normas Técnicas de Auditoría, nuestra evaluación del control interno de la Entidad ha tenido como único propósito el permitirnos establecer el alcance, la naturaleza y el momento de realización de los procedimientos de auditoría de las cuentas anuales de la Entidad. Por consiguiente, nuestra evaluación del control interno, realizada a efectos de dicha auditoría de cuentas, no ha tenido la extensión suficiente para permitirnos emitir una opinión específica sobre la eficacia de dicho control interno sobre la información financiera anual regulada.

A los efectos de la emisión de este informe, hemos aplicado exclusivamente los procedimientos específicos descritos a continuación e indicados en la *Guía de Actuación sobre el Informe del auditor referido a la Información relativa al Sistema de Control Interno sobre la Información Financiera de las entidades cotizadas*, publicada por la Comisión Nacional del Mercado de Valores en su página web, que establece el trabajo a realizar, el alcance mínimo del mismo, así como el contenido de este informe. Como el trabajo resultante de dichos procedimientos tiene, en cualquier caso, un alcance reducido y sustancialmente menor que el de una auditoría o una revisión sobre el sistema de control interno, no expresamos una opinión sobre la efectividad del mismo, ni sobre su diseño y su eficacia operativa, en relación a la información financiera anual de la Entidad correspondiente al ejercicio 2023 que se describe en la Información relativa al SCIIF adjunta. En consecuencia, si hubiéramos aplicado procedimientos adicionales a los determinados por la citada Guía o realizado una auditoría o una revisión sobre el sistema de control interno en relación a la información financiera anual regulada, se podrían haber puesto de manifiesto otros hechos o aspectos sobre los que les habríamos informado.

Asimismo, dado que este trabajo especial no constituye una auditoría de cuentas ni se encuentra sometido a la normativa vigente en materia de auditoría de cuentas en España, no expresamos una opinión de auditoría en los términos previstos en la citada normativa.

Se relacionan a continuación los procedimientos aplicados:

1. Lectura y entendimiento de la información preparada por la entidad en relación con el SCIIF – información de desglose incluida en el Informe de Gestión - y evaluación de si dicha información aborda la totalidad de la información requerida que seguirá el contenido mínimo descrito en el apartado F, relativo a la descripción del SCIIF, del modelo de IAGC según se establece en la Circular 5/2013 de 12 de junio de la Comisión Nacional del Mercado de Valores (CNMV) y modificaciones posteriores, siendo la más reciente la Circular 3/2021, de 28 de septiembre de la CNMV (en adelante, las Circulares de la CNMV).

2. Preguntas al personal encargado de la elaboración de la información detallada en el punto 1 anterior con el fin de: (i) obtener un entendimiento del proceso seguido en su elaboración; (ii) obtener información que permita evaluar si la terminología utilizada se ajusta a las definiciones del marco de referencia; (iii) obtener información sobre si los procedimientos de control descritos están implantados y en funcionamiento en la entidad.

3. Revisión de la documentación explicativa soporte de la información detallada en el punto 1 anterior, y que comprenderá, principalmente, aquella directamente puesta a disposición de los responsables de formular la información descriptiva del SCIIF. En este sentido, dicha documentación incluye informes preparados por la función de auditoría interna, alta dirección y otros especialistas internos o externos en sus funciones de soporte al comité de auditoría.

4. Comparación de la información detallada en el punto 1 anterior con el conocimiento del SCIIF de la entidad obtenido como resultado de la aplicación de los procedimientos realizados en el marco de los trabajos de la auditoría de cuentas anuales.

5. Lectura de actas de reuniones del consejo de administración, comité de auditoría y otras comisiones de la entidad a los efectos de evaluar la consistencia entre los asuntos en ellas abordados en relación al SCIIF y la información detallada en el punto 1 anterior.

6. Obtención de la carta de manifestaciones relativa al trabajo realizado adecuadamente firmada por los responsables de la preparación y formulación de la información detallada en el punto 1 anterior.

Como resultado de los procedimientos aplicados sobre la Información relativa al SCIIF no se han puesto de manifiesto inconsistencias o incidencias que puedan afectar a la misma.

Este informe ha sido preparado exclusivamente en el contexto de los requerimientos establecidos por el artículo 540 del Texto Refundido de la Ley de Sociedades de Capital y por las Circulares de la CNMV a los efectos de la descripción del SCIIF en los Informes Anuales de Gobierno Corporativo.

KPMG Auditores, S.L.

Begoña Pradera Goiri

18 de abril de 2024

Corporación Financiera Alba, S.A. and subsidiaries

Independent Assurance Report on the Consolidated Non-Financial Information Statement (NFIS)

31 December 2023

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

KPMG Auditores, S.L.
Pº. de la Castellana, 259 C
28046 Madrid

Independent Assurance Report on the Consolidated Non-Financial Information Statement of Corporación Financiera Alba, S.A. and subsidiaries for 2023

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of Corporación Financiera Alba, S.A.

Pursuant to article 49 of the Spanish Code of Commerce, we have performed a limited assurance review of the Consolidated Non-Financial Information Statement (hereinafter NFIS) of Corporación Financiera Alba, S.A. (hereinafter the Parent) and subsidiaries (hereinafter the Group) for the year ended 31 December 2023, which forms part of the accompanying consolidated Directors' Report of the Group for 2023.

The NFIS includes additional information to that required by prevailing mercantile legislation concerning non-financial information, which has not been the subject of our assurance work. Our work was limited exclusively to providing assurance on the information identified in the "Non-Financial Information Statement Table of Contents" table of the accompanying NFIS.

Directors' Responsibility

The Directors of the Parent are responsible for the content and authorisation for issue of the NFIS included in the Group's consolidated Directors' Report. The NFIS has been prepared in accordance with prevailing mercantile legislation and selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) based on each subject area in the "Non-Financial Information Statement Table of Contents" table of the aforementioned NFIS.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the NFIS is free from material misstatement, whether due to fraud or error.

The Directors of the Parent are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS was obtained.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) of the International Ethics Standards Board for Accountants (IESBA Code of Ethics), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Our firm applies International Standard on Quality Management 1 (ISQM1), which requires the firm to design, implement and operate a quality management system that includes policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We conducted our engagement in accordance with the requirements of the Revised International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000 (Revised)), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines for assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance provided is also lower.

Our work consisted of making inquiries of management and of the different units and areas of the Group that participated in the preparation of the NFIS, reviewing the processes for compiling and validating the information presented in the NFIS and applying certain analytical procedures and sample review tests, which are described below:

- Meetings with the Group's personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these matters and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the NFIS for 2023 based on the materiality analysis performed by the Group and described in the "Analysis of Alba's double materiality" section, considering the content required by prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the NFIS for 2023.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the NFIS for 2023.
- Corroboration, through sample testing, of the information relative to the content of the NFIS for 2023 and whether it has been adequately compiled based on data provided by the information sources.
- Procurement of a representation letter from the Directors and management.

Conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the NFIS of Corporación Financiera Alba, S.A. and subsidiaries for the year ended 31 December 2023 has not been prepared, in all material respects, in

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

accordance with prevailing mercantile legislation and the selected GRI Standards based on each subject area in the "Non-Financial Information Statement Table of Contents" table of the aforementioned NFIS.

Emphasis of Matter

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and the delegated acts promulgated in accordance with this Regulation, stipulate the obligation to disclose information on how and to what extent the undertaking's activities are associated with eligible economic activities relating to the environmental objectives of sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems (the other environmental objectives), and relating to certain new activities included in the objectives of climate change mitigation and adaptation. This obligation applies for the first time for the 2023 fiscal year, in addition to the information related to eligible and aligned activities required in 2022 associated with the climate change mitigation and climate change adaptation objectives. Consequently, no comparative information on eligibility has been included in the accompanying NFIS in relation to the other environmental objectives listed above or to the new activities included in the 15 climate change mitigation and climate change adaptation objectives. Furthermore, inasmuch as the information relating to 2022 was not required to be as detailed as in 2023, the disclosures included in the accompanying NFIS are not strictly comparable. In addition, the directors of Corporación Financiera Alba, S.A. have included information on the criteria which, in their opinion, allow them to comply better with these obligations and which are defined in the "EU Taxonomy for Sustainable Finances" section of the accompanying NFIS. Our conclusion is not modified in respect of this matter.

Other Matters

On 25 April 2023, a different assurance provider issued a favourable independent assurance report on the Consolidated Non-Financial Information Statement of Corporación Financiera Alba, S.A. and subsidiaries for 2022.

Use and Distribution

This report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

KPMG Auditores, S.L.

This report corresponds to stamp number 01/24/01656 issued by the Spanish Institute of Registered Auditors

CORPORACIÓN FINANCIERA ALBA, S.A. and Subsidiaries

NON-FINANCIAL INFORMATION STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

1. Introduction

This non-financial information statement, which forms part of the consolidated directors' report of Corporación Financiera Alba, S.A. and subsidiaries, is published in compliance with Law 11/2018 of 28 December 2018, amending the Commercial Code, the Revised Spanish Companies Act approved by Royal Legislative Decree 1/2010 of 2 July 2010 and Spanish Audit Law 22/2015 of 20 July 2015, on non-financial and diversity information (Non-Financial Information and Diversity Law).

Corporación Financiera Alba, S.A. is an investment firm which holds significant interests in various listed and unlisted companies operating in different sectors of the economy and owns real estate assets. Stakes in companies are also acquired through venture capital activities. The group, whose parent is Corporación Financiera Alba, S.A., includes Deyá Capital IV, SCR, S.A., Alba Europe, S.à.r.l., Alba Investments, S.à.r.l., Alba Patrimonio Inmobiliario, S.A.U., Alba KKR Core International, SCA and Alba KKR Core International Blocker, S.à.r.l. (hereinafter, Corporación Financiera Alba, S.A., and collectively, **Alba** or the **Company**).

In relation to the scope of this non-financial information statement for 2023, in March 2023 Alba sold its entire interest in the subsidiary Artá Partners, S.A., which owns 100% of the shares of the venture capital management company Artá Capital, SGEIC, S.A.U.
As a result of the loss of control over this company, Alba no longer exercises control over Nuadi, Facundo and Gesdocument (the **Subsidiaries**), and therefore, from the date of the sale, these subgroups are no longer considered Alba companies.

Thus, the information contained in this non-financial information statement in relation to the Subsidiaries is limited to the first quarter of 2023.

Hereinafter, Alba and its Subsidiaries shall be referred to collectively as the **Companies.**

This report also includes the EU Taxonomy report.

1.1. About the non-financial information statement and its progress

This non-financial information statement includes information on 2023 and is the fifth report prepared by Alba in accordance with the aforementioned regulations, having previously prepared four sustainability reports, from 2015 to 2018.

Due to the loss of control of the three Alba Subsidiaries mentioned in the previous section, the quantitative information reflected in the previous non-financial information statement (2022) is not comparable with most of the quantitative information included in this non-financial information statement for 2023, due to the change in the perimeter reported. As information on the three Alba Subsidiaries is only shown for the first quarter of 2023, and to facilitate comparison of quantitative information in future non-financial information statements, quantitative data has been broken down by company for the purposes of simplification. Thus, the information on Alba covers

2023 (1 January to 31 December), while the information on Gesdocument, Nuadi and Facundo spans the first quarter of 2023 (1 January to 31 March).

The non-financial information statement has been prepared on the basis of the reporting requirements of the Non-Financial Reporting and Diversity Law, which in turn requires the adoption of a national, European or international framework. A selection of indicators from the Global Reporting Initiative Standards, included in the Table of Contents of the non-financial information statement, have been taken into account, so reference would be made to selected GRI Standards.

In order to gradually adapt to Directive 2022/2464 of 14 December 2022 on Corporate Sustainability Reporting (CSRD), which came into force in January 2024 (though it will not apply to Alba until 2025), the content of this non-financial information statement has been prepared in accordance with the principles of stakeholder engagement, taking into account the principle of double materiality (proposed by the CSRD), transparency and integrity. In addition, balance, accuracy, timeliness, comparability, clarity and reliability of the data presented have been sought.

Lastly, it should be noted that this report has been subject to an independent, external assurance process, in accordance with the terms of the Non-Financial Information and Diversity Law.

2. Organisation of Companies

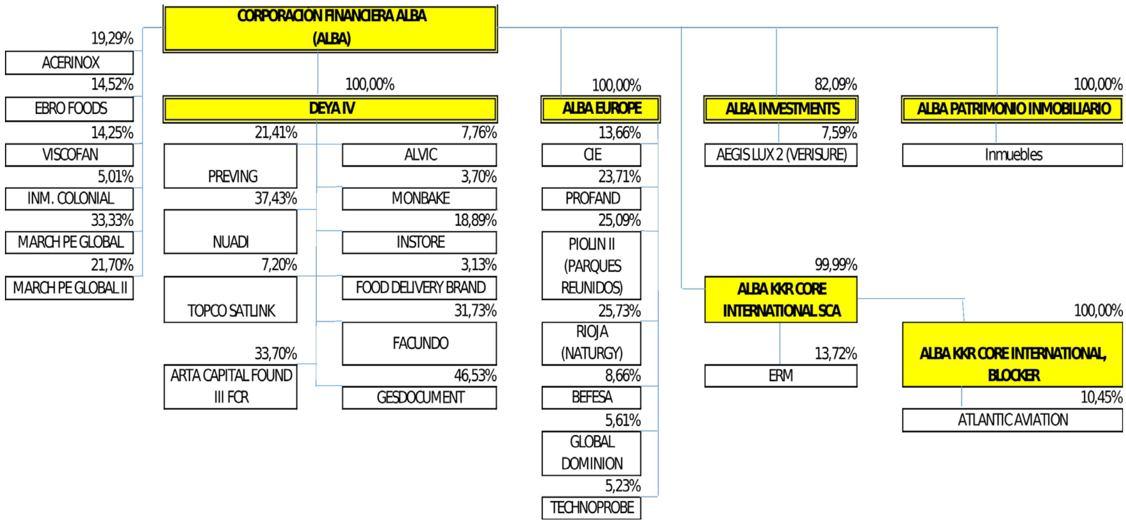
2.1. Description of the business model

2.1.1. Organisation and structure.

Corporación Financiera Alba, S.A. is an investment firm, listed on the continuous market of the Spanish stock exchanges since 1986. The company is majority owned by the March Group, which includes Banca March and Fundación Juan March.

- Banca March, founded in 1926, is a family-owned Spanish bank headquartered in Palma de Mallorca. Banca March is the parent of the March Group and a significant shareholder of Corporación Financiera Alba.
- Fundación Juan March, created in 1955, is a family and heritage institution, which carries out its activities in the field of humanistic culture, with exhibitions, concert series and conferences, and promotes scientific research.

The following diagram shows the companies in which Alba is a shareholder and its percentage interest in them at 31 December 2023:



As mentioned above, Alba lost control over the Subsidiaries as of the second quarter of 2023.

Alba also has a portfolio of listed and unlisted investees. Currently, all but two of Alba's listed companies are headquartered in Spain.

Alba's most significant investment transactions in 2023 include the acquisition of an additional 2.00% stake in the Italian company Technoprobe, S.p.A. and a further 2.5% stake in Inmobiliaria Colonial Socimi, S.A. Moreover, Alba has increased its interests in Acerinox, S.A. and CIE Automotive, S.A. by 0.77% and 0.31%, respectively, as a result of the redemption of own shares carried out by both companies.

This non-financial information statement has been prepared taking into account the companies that make up Alba, as well as information on the Subsidiaries that formed part of Alba during the first three months of the year only.

2.1.2. Main activities and services carried out

Alba's principal activity is the acquisition of long-term holdings in listed and unlisted companies operating in various sectors of the economy, which are industry leaders, with solid management teams and profitable and sustainable growth models. In addition, Alba channels investments into smaller unlisted companies in Spain and Portugal in the form of venture capital. Alba also leases office and commercial properties.

The main activities and services carried out by Alba's Subsidiaries until the first quarter of 2023 were as follows:

- **Nuadi** was first incorporated in Spain in 1958 as "ADI". Its principal activity is the manufacture and marketing of disc brake pad components for different applications: motorbikes, automobiles, road freight transport, public works and railways. Its main customers are brake pad and brake system manufacturers. For the past 60 years, Nuadi has been a major supplier of brake technologies and components to the after sales and original equipment markets, as well as an innovative driver of future technologies.

In 2021 Nuadi added Sadeca Automotive, founded in 1983, to its group and whose core business is the production of high quality electrical wiring harnesses and metal components for automotive, medical, household appliance and electronic applications.

- **Gesdocument** has been providing tax, economic, financial, administrative, labour and accounting advisory services to individuals and legal entities since 1989, as well as recruitment services for third parties. It is a leading consultancy firm in its field with a nationwide presence.
- **Facundo** is a business group incorporated in Palencia in 1944. Its principal activity is the production and distribution of nuts and snacks, with its main product being a variety of sunflower seeds. Other lines include mixed nuts, peanuts, pistachios, almonds, original corn ring snacks (Chaskis) and different flavours of potato crisps. Facundo's activity involves carefully selecting quality raw materials, and manufacturing and distributing its wide range of products.

2.1.3. Main markets in which the Companies operate

In terms of geography, **Alba** invests in both the domestic and international markets in order to diversify risk. It thus has investments in listed foreign companies such as Befesa, S.A., Technoprobe S.p.A. and unlisted companies such as Atlantic Aviation Holdings Corporation, Verisure Group and ERM International Group Limited.

International investment is carried out preferably through local partners and in companies that are characterised by their stability, reliability and security, many of which are leaders in their sector.

Through its investments, Alba moves in the following main sectors: energy, food, security and industrial. The Company’s stakes in entities and other assets are representative of its weight in the corporate structure and the responsibility, dedication and commitment to its investees.

In addition, Alba channels investments into smaller unlisted companies in Spain and Portugal through venture capital.

Alba's real estate activity involves the leasing of high-level office and commercial properties, all of which are located in prime central or peripheral areas of Madrid.

The activities of Alba's Subsidiaries until the first quarter of 2023 were carried out in the following markets:

- **Nuadi**, based in Spain, is also active internationally. It has group companies in Spain (Pamplona and Sentmenat), Morocco (Tangiers), China (Shanghai) and Mexico (Querétaro), the latter under construction in the first quarter of 2023. The subgroup has two divisions involved in the manufacture of components for the automotive sector. Its industrial activity is located in Sentmenat (Barcelona, Spain), from where it centralises its logistical operations and operational services such as engineering, quality and sales, and in Tangiers (Morocco), where its main factory is located.

- **Gesdocument** has five offices strategically located in Spain to offer nationwide coverage. It operates in the domestic (93.9%), European (4.6%) and international (1.5%) markets. Its main objective and strategy is to be the leading consultancy firm in Spain and Portugal through organic and inorganic transactions (integration of consultancy firms).
- **Facundo**, with headquarters in Palencia (Spain), has two production facilities very close to each other from which it distributes its products throughout Spain. The first factory was built in Villada (Palencia) in 1968 and, in 1992, a new plant was built in Villamuriel de Cerrato (near Palencia), which manufactures potato crisps, snacks and appetizers. Los Girasoles, a group company, was in charge of its own distribution network in Palencia, Valladolid and Burgos until 1999, when Facundo commenced retail sales nationally. The Facundo brand is clearly positioned in terms of quality and has a very relevant share in the northwest quadrant of Spain.

3. Identification and engagement of Alba's stakeholders

A basic principle of Corporate Social Responsibility (CSR) is the proper management of stakeholder expectations. An organisation is considered to be socially responsible when it responds satisfactorily to its stakeholders' expectations and needs as regards how it functions.

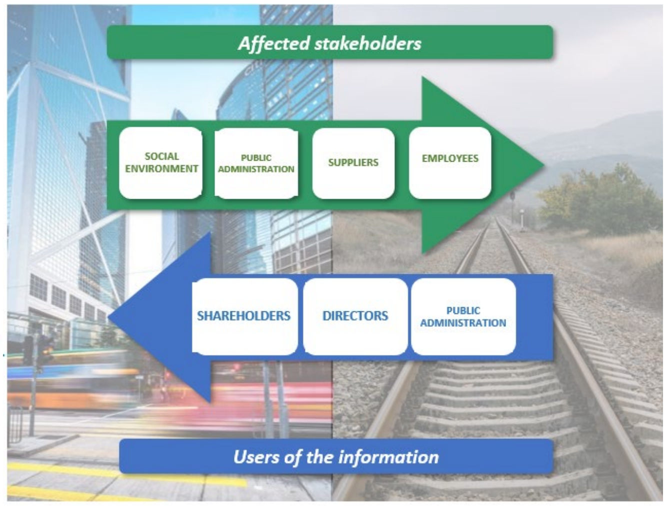
From a strategic and CSR perspective, stakeholders are important because of the possibility of intervening in the organisation's activity and results. When relations with them are well managed, existing risks are minimised and the possibility of generating competitive advantages is enhanced, improving the climate and reputation of the organisation or promoting learning and innovation.

Alba deems it essential to know the expectations and needs of its stakeholders in order to manage them better and forge relationships of trust between the parties. Alba's strategy also focuses on maximising value by creating close and lasting relationships with all of them. It therefore works to improve active communication, with effective dialogue through different channels such as intranet, regular meetings, surveys, website, email, post, videoconferencing and the presentation of reports.

In order to identify the main stakeholders, special attention has been paid to the two stakeholder groups indicated in the CSRD that can affect or be affected by a company's decisions and actions. Some, but not all, stakeholders may belong to both groups:

- Affected stakeholders: individuals or groups who have interests that are or may be affected - positively or negatively - by the company's activities and through its upstream and downstream value chain.
- Users of sustainability information: individuals or groups who are users of information about the company.

The six main stakeholder groups are as follows:



3.1. Stakeholder engagement channels

Alba is aware of the importance of knowing its stakeholders' expectations as regards its activities and their possible impact on the environment, both at an environmental and social level. For this reason, it fosters a fluid and transparent relationship with its stakeholders across all its businesses.

Both employees and other stakeholders have access to the Whistleblowing Channel on the corporate website. This channel can be used to safely report any acts or conduct that may be contrary to applicable regulations or Alba's Code of Ethics and Conduct. Suggestions, queries or proposals related to this Code of Ethics and Conduct may also be submitted.

In order to improve communication with its stakeholders, Alba made changes to the Whistleblowing Channel in 2023 to incorporate certain provisions of Law 2/2023 of 20 February 2023, which regulates the protection of informants who report regulatory infringements and corruption (the Whistleblower Law), though this law does not apply to Alba.

Furthermore, Alba has a Communication Policy which sets out the principles and guidelines relating to the Company's communication of financial, non-financial and corporate information through the media, social networks and other communication channels, within a framework that guarantees respect for and transparency of information.

The most important stakeholder relations channels, both face-to-face and online, and the main global issues detected, both across the board and specific to each stakeholder, are indicated below:

- **Shareholders and investors**: the Annual General Meeting is the primary conduit for shareholders to participate in Alba's governance. Informed and responsible shareholder participation is encouraged through measures such as an electronic shareholders' forum, accessible on the corporate website. An e-mail address is also available for enquiries and information requests.

The Company's management team is available for briefings with shareholders, institutional investors and analysts to present information of interest to these groups. Through its Investment Department, Alba communicates with the media and manages relations with investors and analysts.

- **Managers and employees:** Alba's managers and employees have access to information and resources on the intranet on issues related to their work and Alba's activities.
- **Suppliers:** communications with suppliers are carried out through face-to-face or telematic meetings, by telephone, e-mail and, when necessary, through reliable means of communication.
- **Social environment:** Alba uses communication tools that can be accessed by any entity, organisation or interested person from the social, public-administrative or corporate domain. The CNMV website is the Company's official information channel for its shareholders, investors and the market as a whole. Alba's corporate website also provides relevant information and financial, non-financial and corporate information, as well as other information that may be of interest to shareholders, investors, institutions, proxy advisors and stakeholders related to the Company, including press releases. Whenever possible, content is uploaded to this corporate website simultaneously in Spanish and English to facilitate consultation from other countries. In addition, the Company can be contacted via a contact form on its website, at a postal address and by e-mail.

4. Alba's dual materiality analysis

Alba has identified the financial, economic, social and environmental issues that are a priority for its stakeholders and its business, with a view to determining the information that may be of most interest and focussing its objectives and resources on managing and reporting them.

Under the framework of this commitment, and to meet the expectations of its stakeholders, in 2023 Alba updated its materiality analysis by applying a new approach to the dual materiality required by the Corporate Sustainability Reporting Directive (CSRD), based on the EFRAG (European Commission Technical Advisory Group) guide and the cross-cutting ESRSs (European Sustainability Reporting Standards), published in July 2023, which establish guidelines on how to develop this type of analysis in organisations.

This methodology takes into consideration both the impact of the organisation's activities on its surroundings and the environment (impact materiality) and the impact of its surroundings on the value of the business (financial materiality).

The methodology applied to perform the dual materiality analysis, which enabled Alba to determine those areas of greatest relevance to its stakeholders, and which comprises four main phases, is detailed below:

Stage 1. Analysis of Alba’s context and establishment of consultation mechanisms with stakeholders

Alba has established the following consultation mechanisms as the most appropriate for understanding the sustainability expectations of its most relevant stakeholders, and for cooperating jointly in identifying the impacts, risks and opportunities (commonly known as "IROs") associated with the material issues, as well as their assessment:

- Interviews with managers on the possible IROs arising from Alba's activity in its surroundings, as well as the impact of external factors on the Company’s value and the surroundings, resulting from the profound changes arising from climate change.
- *Focus group* with employees from different areas of Alba to identify and assess potential ESG IROs that are caused by the Company and affect the social or environmental surroundings.
- Supplier questionnaire with a view to finding out their views on possible IROs generated by Alba on its surroundings, and their expectations in this connection.
- Significant shareholder questionnaire on the financial materiality and the implications of sustainability-related risks, as well as their impact on the Company's interests, to identify and assess potential ESG IROs affecting Alba's business.

Global and sector trends were also analysed, such as the Sustainability Accounting Standard Board (SASB) sector standard and a benchmarking of the sector, relating to possible risks, impacts and opportunities that should be taken into account for the materiality analysis, in order to have a global vision of Alba's surroundings.

Stage 2. Identification of positive and negative, potential and actual impacts

To identify and define the relevant ESG issues affecting Alba, an exhaustive internal and external analysis has been carried out, based on the topics and sub-topics proposed by the CSRD’s ESRS standard. This analysis also includes an analysis of Alba and its sector in the press and a study of its internal policies, its previous sustainability reports, in order to align its approach, and also focuses on the due diligence procedures implemented at Alba to prevent, manage and mitigate the risks that most affect it. Thus, the IROs related to each potentially relevant issue were identified.

Once the potentially relevant issues have been identified, fluid communication with Alba's staff and management team has been maintained to determine and classify the positive and negative, real and potential impacts arising from these issues and affecting the Company, as well as to determine those impacts caused by its activities that affect its surroundings, with the aim of defining a definitive list of the relevant issues that have been assessed by stakeholders.

Stage 3. Impact assessment and identification of material issues

The definitive list of material issues was presented to the stakeholders through the consultation mechanisms mentioned in Phase 1, for them to assess the list of IROs relating to the relevant issues. The stakeholders assessed the severity or magnitude of the impacts and their likelihood of occurrence, as well as the timeframe (short, medium or long) in which the impacts are expected to materialise.

The information obtained from the surveys and questionnaires was included as part of the internal sources of the dual materiality analysis. To identify the material issues from the relevant issues, the corresponding study groups from internal and external sources were ranked and weighted in both the impact materiality and financial materiality assessments.

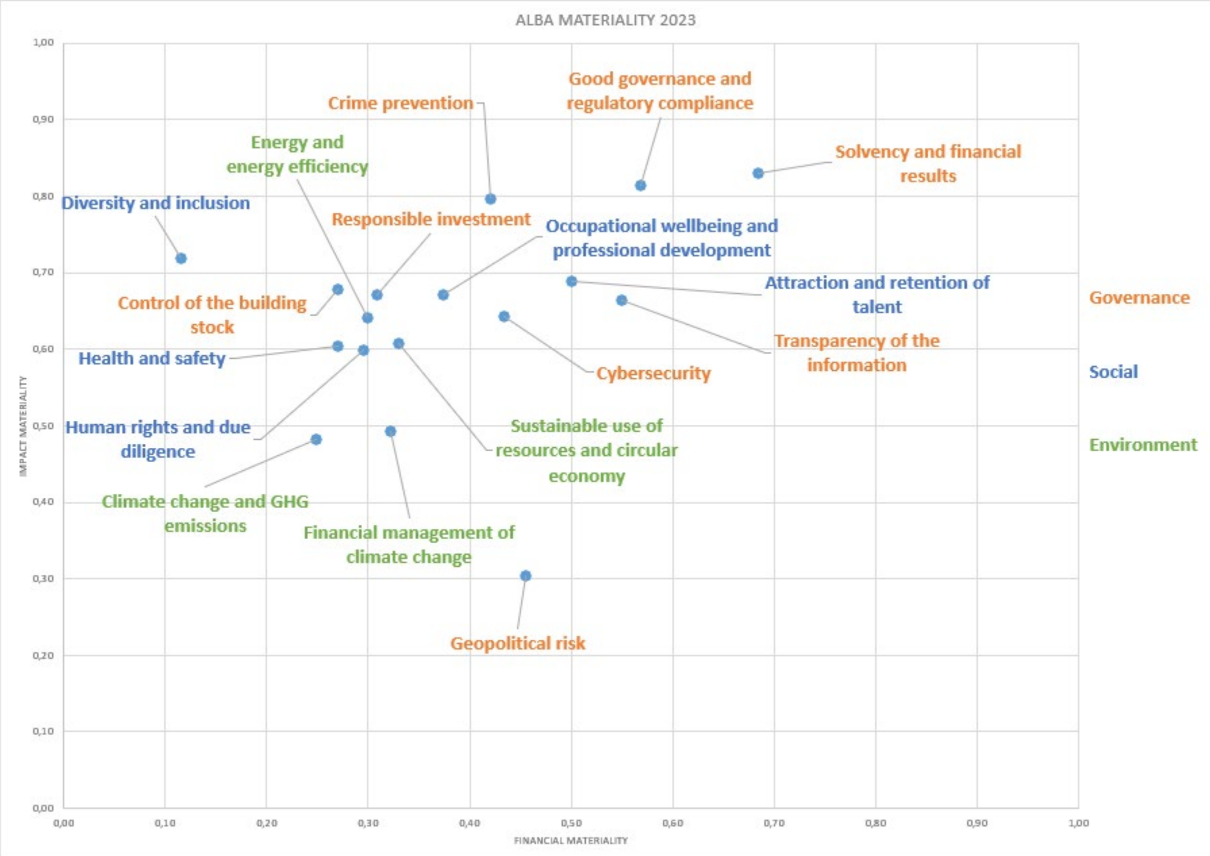
Stage 4. Consolidation of information and reporting

Based on the information obtained, the 17 main issues identified were set out in a double materiality matrix, in which the aspects considered relevant by stakeholders were prioritised based on a double analysis of information sources, and were consolidated, aligning them with the reporting areas established in the Non-Financial Reporting and Diversity Law:

- *Impact materiality analysis:* materiality of issues from an inside-out view of the sustainability impacts - positive and negative - that the Company's activities generate or may generate.
- *Financial materiality analysis:* materiality of issues from an outside-in view with a potential impact on the Company's value.

To estimate materiality, we have taken into account both the severity of the impact and the likelihood of these aspects occurring for stakeholders, as well as Alba's level of exposure thereto in terms of the magnitude of the financial effects and their likelihood of occurrence.

Thus, the following graph and table shows the prioritisation of the aspects considered in the dual materiality analysis, with those considered to be of medium and high priority - both for impact and financial materiality - on which the information reported in this Non-Financial Information Statement has been mainly focused:



		ISSUE	MATERIALITY
GOVERNANCE	**1**	Good governance and regulatory compliance	HIGH
	2	Crime prevention	MEDIUM
	3	Transparency of information	HIGH
	4	Cybersecurity	MEDIUM
	5	Responsible investment	MEDIUM
	6	Solvency and financial results	HIGH
	7	Geopolitical risk	NOT MATERIAL
	8	Control of the building stock	MEDIUM
SOCIAL	**9**	Occupational wellbeing and professional development	MEDIUM
	10	Health and safety	MEDIUM
	11	Attraction and retention of talent	HIGH
	12	Diversity and inclusion	MEDIUM
	13	Human rights and due diligence	MEDIUM
ENVIRONMENTAL	**14**	Sustainable use of resources and circular economy	MEDIUM
	15	Climate change and GHG emissions	NOT MATERIAL
	16	Energy and energy efficiency	MEDIUM
	17	Managing the financial effects of climate change	NOT MATERIAL

5. Non-financial policies applicable

In 2023 **Alba** updated its Sustainability Policy with a view to adapting it to environmental, social and corporate governance best practices, without significantly changing its existing sustainability principles, commitments and objectives. ESG issues have been given greater prominence in corporate governance, in the policies setting out Alba's principles in its business strategy and in its risk management and assessment.

Alba also has the following internal non-financial regulations, approved by the Board of Directors of Corporación Financiera Alba, S.A., which cover the matters subject to reporting under Law 11/2018:

1. Code of Ethics and Conduct: The Code of Ethics and Conduct, which includes regulation of the Whistleblowing Channel, is the formal manifestation of the values and principles that should govern the conduct of Alba employees, with the aim of achieving business ethics. This Code was updated in 2023, as mentioned in section 3.1 of this report.

2. Anti-Corruption and Bribery Regulation: Alba includes the prevention of corruption in its policies and takes the necessary steps to ensure compliance with its oversight duties with a view to preventing the commission of offences referred to in its criminal prevention model. It has a Crime and Fraud Prevention Policy (2015) and a Crime Prevention Model (CPM) (latest version issued in 2020).

3. Occupational Health and Safety Regulation: Alba's Code of Ethics and Conduct includes specific health and safety objectives, as well as manuals and procedures aimed at defining the guidelines and criteria to be followed with regard to occupational health and safety, with a view to ensuring that employees can carry out their duties in complete safety and in compliance with appropriate health and hygiene conditions.

4. Equality and Non-Discrimination Regulation: Alba has a Corporate Governance Policy (latest version issued in 2021), a Director Candidate Selection Policy (2019) and the aforementioned Code of Ethics and Conduct. This regulation provides for non-discrimination and the prevention of harassment, as well as the total rejection of any behaviour that may violate the dignity of individuals. Alba is committed to the right to fair and respectful treatment by superiors, subordinates and peers and does not tolerate discrimination or harassment on the grounds of race, religion, nationality, gender, disability, age, language, opinion, ethnic origin, economic status, sexual orientation, trade union membership or any other personal or social condition or circumstance. The selection process for directors should favour diversity in the broadest sense, seeking a balanced presence of men and women. Its Code of Ethics and Conduct is applicable to its employees as well as to third parties with whom it has a relationship.

5. Sustainability Regulation: Alba considers the integration of sustainable strategies to be a key factor for long-term success and business viability. Therefore, Alba includes sustainability aspects in its Sustainability, Investment (latest version issued 2022) and Corporate Governance Policies.

6. Communication Regulation: Its Communication Policy (2020) sets out the principles and guidelines relating to communication and contact with shareholders, institutional investors, proxy advisors, analysts and stakeholders, and the communication of economic-financial, non-financial and corporate information. The Code of Ethics and Conduct also provides for proposals, suggestions and consultations thereon.

With regards to the aforementioned matters, the Subsidiaries, which only had the status of Subsidiaries in Q1 2023, had the following internal regulations:

- **Nuadi**: Code of Ethics; Equality Plan; Health, Safety, Environment and Quality Policy; Employee Welcome Plan, and Occupational Health and Safety Management System.
- **Gesdocument**: Code of Ethics; Harassment Prevention Policy; Human Rights Policy; Anti-Corruption Policy; Manual on the Prevention of Money Laundering and the Financing of Terrorism; Equality Plan; Harassment Prevention Code; Corporate Governance Policy; Human Rights Policy; and Sustainable Efficiency Plan (SOC).
- **Facundo**: Protocol to combat sexual and gender-based harassment; Risk Management Policy; Equality Plan; Environmental Policy; and Quality and Food Safety Policy.

6. Information on social and employee-related issues

Alba, both directly and through its investees, promotes and fosters corporate values and ethics to form accomplished, competent teams that strive to achieve greater business sustainability. Alba's commitment to equal opportunities ensures that selection, recruitment, employment and career development processes are governed exclusively by merit and skill requirements, thus avoiding any form of discrimination, and the cultivation of a working environment that encourages dignity and respect.

As far as social and employee-related issues are concerned, Alba's priority objectives are the following:

- Promote a management model in the organisation based on non-discrimination, equal opportunities, diversity and health and safety in the workplace.
- Work to improve the work-life balance and employee conditions, directing our efforts towards equal rights, obligations and opportunities.
- Create stable jobs and nurture professional development aimed at potentiating human capital and retaining talent.

Information on the Subsidiaries in this non-financial information statement is limited to the first quarter of 2023:

- **Nuadi** does not have a policy on recruitment, remuneration, training, etc., but does have an HR procedure covering training, jobs, performance management and staff motivation. Nuadi's first Equality Plan for the period 2022-2025 is currently in force.
- **Gesdocument** has internal human resources policies and procedures: selection, recruitment, onboarding, training and termination procedures; remuneration policy; variable remuneration policy; holiday policy; and a flexible remuneration plan.
- **Facundo** has a general holiday policy covering all its group companies. The company that manages the factories also has the following policies in place: a work-life balance policy, a salary policy, a training policy and a general recruitment policy to capture and retain talent.

6.1. Information on employees

Aware of the value of human capital, **Alba** strives to maintain favourable employment policies in line with the needs of its employees and the specific operational needs of the Company. Talent management and retention, as well as its offer of decent employment, appropriate career development, good permanent employment conditions and social benefits make it possible to maintain low staff turnover rates year after year. Consequently, the average employee turnover rate at year end is less than 5%. For this reason, average figures are not reflected in this report, as the difference does not significantly affect the interpretation of the data.

Although the perimeter changes in the companies between 2023 and 2022, mentioned in section 1, distort the comparability of year-on-year data, the main aspects related to social and employee-related issues are described below.

The number of employees at Alba has fallen by 22% from 2022 to 2023, as the latter year does not include those of Artá Capital SGEIC, S.A., which in 2023 ceased to form part of Alba due to the sale of the shares of Artá Partners, S.A., as described in section 1 of this report.

6.1.1. Distribution of employees by gender, age, country and professional category

The data for Alba's employees at 31 December 2023 and up to 31 March 2023 for its Subsidiaries[1], as well as the data for the Companies in 2022[2] are presented below:

	COMPANY	COUNTRY	2023				
			FEMALE	%	MALE	%	TOTAL
ALBA	ALBA	SPAIN	22	42.31%	30	57.69%	52
	TOTAL ALBA 2023		**22**	**42.31%**	**30**	**57.69%**	**52**
	TOTAL ALBA 2022		**26**	**38.81%**	**41**	**61.19%**	**67**
SUBSIDIARIES	NAUDI	SPAIN	64	24.62%	196	75.38%	260
		CHINA	17	43.59%	22	56.41%	39
		MOROCCO	110	84.62%	20	15.38%	130
		MEXICO	0	0.00%	3	100.00%	3
	GESDOCUMENT	SPAIN	131	66.84%	65	33.16%	196
	FACUNDO	SPAIN	22	19.82%	89	80.18%	111
	TOTAL SUBSIDIARIES 2023		**344**	**46.55%**	**395**	**53.45%**	**739**
	TOTAL SUBSIDIARIES 2022		**244**	**40.33%**	**361**	**59.67%**	**605**
	TOTAL COMPANIES 2023		**366**	**46.27%**	**425**	**53.73%**	**791**
	TOTAL COMPANIES 2022		**270**	**40.18%**	**402**	**59.82%**	**672**

Figure 1. Total number of employees by company, country and gender.

1 The data for the Subsidiaries corresponds to employees in Spain, except in Figure 1.
2 The data for the Companies for 2022 includes data on employees in Spain.

		COMPANY	GENDER	<35	35-50	>50	TOTAL
ALBA	2023	ALBA	FEMALE	3	13	6	22
			MALE	2	15	13	30
		TOTAL ALBA 2023		**5**	**28**	**19**	**52**
	2022	ALBA	FEMALE	4	14	8	26
			MALE	5	21	15	41
		TOTAL ALBA 2022		**9**	**35**	**23**	**67**
SUBSIDIARIES	2023	NAUDI	FEMALE	5	45	14	64
			MALE	39	103	54	196
		TOTAL NAUDI		**44**	**148**	**68**	**260**
		GESDOCUMENT	FEMALE	68	50	13	131
			MALE	35	25	5	65
		TOTAL GESDOCUMENT		**103**	**75**	**18**	**196**
		FACUNDO	FEMALE	5	12	5	22
			MALE	8	45	36	89
		TOTAL FACUNDO		**13**	**57**	**41**	**111**
		TOTAL SUBSIDIARIES 2023		**160**	**280**	**127**	**567**
		TOTAL SUBSIDIARIES 2022		**184**	**310**	**111**	**605**
		TOTAL COMPANIES 2023		**165**	**308**	**146**	**619**
		TOTAL COMPANIES 2022		**193**	**345**	**134**	**672**

Figure 2. Total number of employees by company, gender and age

		COMPANY	GENDER	MANAGEMENT	MIDDLE MANAGEMENT	OPERATORS AND ADMINISTRATIVE STAFF	TOTAL
ALBA	2023	ALBA	FEMALE	0	3	19	22
			MALE	5	10	15	30
		TOTAL ALBA 2023		**5**	**13**	**34**	**52**
	2022	ALBA	FEMALE	0	7	19	26
			MALE	9	15	17	41
		TOTAL ALBA 2022		**9**	**22**	**36**	**67**
SUBSIDIARIES	2023	NAUDI	FEMALE	5	1	58	64
			MALE	15	18	163	196
		TOTAL NAUDI		**20**	**19**	**221**	**260**
		GESDOCUMENT	FEMALE	3	26	102	131
			MALE	5	15	45	65
		TOTAL GESDOCUMENT		**8**	**41**	**147**	**196**
		FACUNDO	FEMALE	0	1	21	22
			MALE	2	8	79	89
		TOTAL FACUNDO		**2**	**9**	**100**	**111**
		TOTAL SUBSIDIARIES 2023		**30**	**69**	**468**	**567**
		TOTAL SUBSIDIARIES 2022		**27**	**79**	**499**	**605**
		TOTAL COMPANIES 2023		**35**	**82**	**502**	**619**
		TOTAL COMPANIES 2022		**36**	**101**	**535**	**672**

Figure 3. Total number of employees by company, gender and professional category

6.1.2. Types of employment contract

The following figures include data on the types of employment contracts broken down by gender, age and professional category at 31 December 2023 in Alba and its Subsidiaries (up to 31 March) and data for 2022:

		COMPANY	GENDER	PERMANENT	TEMPORARY	TOTAL
ALBA	2023	ALBA	FEMALE	22	0	22
			MALE	30	0	30
		TOTAL ALBA 2023		**52**	**0**	**52**
	2022	ALBA	FEMALE	26	0	26
			MALE	41	0	41
		TOTAL ALBA 2022		**67**	**0**	**67**
COMPANIES	2023	NAUDI	FEMALE	63	1	64
			MALE	174	22	196
		TOTAL NAUDI		**237**	**23**	**260**
		GESDOCUMENT	FEMALE	131	0	131
			MALE	65	0	65
		TOTAL GESDOCUMENT		**196**	**0**	**196**
		FACUNDO	FEMALE	22	0	22
			MALE	88	1	89
		TOTAL FACUNDO		**110**	**1**	**111**
		TOTAL SUBSIDIARIES 2023		**543**	**24**	**567**
		TOTAL SUBSIDIARIES 2022		**577**	**28**	**605**
		TOTAL COMPANIES 2023		**595**	**24**	**619**
		TOTAL COMPANIES 2022	FEMALE	268	2	270
			MALE	376	26	402
		TOTAL COMPANIES 2022		**644**	**28**	**672**

Figure 4. Total number of employees of type of employment contract and gender

		COMPANY	AGE	PERMANENT	TEMPORARY	TOTA L
ALBA	2023	ALBA	<35	5	0	5
			35-50	28	0	28
			>50	19	0	19
		TOTAL ALBA 2023		**52**	**0**	**52**
	2022	ALBA	<35	9	0	9
			35-50	35	0	35
			>50	23	0	23
		TOTAL ALBA 2022		**67**	**0**	**67**
SUBSIDIARIES	2023	NAUDI	<35	39	5	44
			35-50	143	5	148
			>50	55	13	68
		TOTAL NAUDI		**237**	**23**	**260**
		GESDOCUMENT	<35	103	0	103
			35-50	75	0	75
			>50	18	0	18
		TOTAL GESDOCUMENT		**196**	**0**	**196**
		FACUNDO	<35	12	1	13
			35-50	57	0	57
			>50	41	0	41
		TOTAL FACUNDO		**110**	**1**	**111**
		TOTAL SUBSIDIARIES 2023		**543**	**24**	**567**
		TOTAL SUBSIDIARIES 2022		**577**	**28**	**605**
		TOTAL COMPANIES 2023		**595**	**24**	**619**
		TOTAL COMPANIES 2022	<35	184	9	193
			35-50	336	9	345
			>50	125	9	134
		TOTAL COMPANIES 2022		**644**	**28**	**672**

Figure 5. Total number of employees by type of employment contract and age

		COMPANY	PROFESSIONAL CATEGORY	PERMANENT	TEMPORARY	TOTAL
ALBA	2023	ALBA	MANAGEMENT	5	0	5
			MIDDLE MANAGEMENT	13	0	13
			OPERATORS AND ADMINISTRATIVE STAFF	34	0	34
		TOTAL ALBA 2023		**52**	**0**	**52**
	2022	ALBA	MANAGEMENT	9	0	9
			MIDDLE MANAGEMENT	22	0	22
			OPERATORS AND ADMINISTRATIVE STAFF	36	0	36
		TOTAL ALBA 2022		**67**	**0**	**67**
SUBSIDIARIES	2023	NAUDI	MANAGEMENT	20	0	20
			MIDDLE MANAGEMENT	18	1	19
			OPERATORS AND ADMINISTRATIVE STAFF	199	22	221
		TOTAL NAUDI		**237**	**23**	**260**
		GESDOCUMENT	MANAGEMENT	8	0	8
			MIDDLE MANAGEMENT	41	0	41
			OPERATORS AND ADMINISTRATIVE STAFF	147	0	147
		TOTAL GESDOCUMENT		**196**	**0**	**196**
		FACUNDO	MANAGEMENT	2	0	2
			MIDDLE MANAGEMENT	9	0	9
			OPERATORS AND ADMINISTRATIVE STAFF	99	1	100
		TOTAL FACUNDO		**110**	**1**	**111**
		TOTAL SUBSIDIARIES 2023		**543**	**24**	**567**
		TOTAL SUBSIDIARIES 2022		**577**	**28**	**605**
		TOTAL COMPANIES 2023		**595**	**24**	**619**
		TOTAL COMPANIES 2022	MANAGEMENT	36	0	36
			MIDDLE MANAGEMENT	100	1	101
			OPERATORS AND ADMINISTRATIVE STAFF	508	27	535
		TOTAL COMPANIES 2022		**644**	**28**	**672**

Figure 6. Number of employees by type of employment contract and professional category

6.1.3. Type of workday

Data on the types of employee workday by gender, age and professional category at 31 December 2023 for Alba and its Subsidiaries (up to 31 March) and data for 2022 are as follows:

			2023		
	COMPANY	GENDER	FULL-TIME	PART-TIME	TOTAL
ALBA	ALBA	FEMALE	21	1	22
		MALE	29	1	30
	TOTAL ALBA 2023		**50**	**2**	**52**
	ALBA	FEMALE	25	1	26
		MALE	41	0	41
	TOTAL ALBA 2022		**66**	**1**	**67**
SUBSIDIARIES	NAUDI	FEMALE	51	13	64
		MALE	180	16	196
	TOTAL NAUDI		**231**	**29**	**260**
	GESDOCUMENT	FEMALE	116	15	131
		MALE	63	2	65
	TOTAL GESDOCUMENT		**179**	**17**	**196**
	FACUNDO	FEMALE	16	6	22
		MALE	89	0	89
	TOTAL FACUNDO		**105**	**6**	**111**
	TOTAL SUBSIDIARIES 2023		**515**	**52**	**567**
	TOTAL SUBSIDIARIES 2022		**567**	**38**	**605**
	TOTAL COMPANIES 2023		**565**	**54**	**619**
	TOTAL COMPANIES 2022	FEMALE	251	19	270
		MALE	382	20	402
	TOTAL COMPANIES 2022		**633**	**39**	**672**

Figure 7. Number of employees by type of workday and gender.

		COMPANY	AGE	FULL-TIME	PART-TIME	TOTAL
ALBA	2023	ALBA	<35	5	0	5
			35-50	26	2	28
			>50	19	0	19
		TOTAL ALBA 2023		**50**	**2**	**52**
	2022	ALBA	<35	9	0	9
			35-50	34	1	35
			>50	23	0	23
		TOTAL ALBA 2022		**66**	**1**	**67**
SUBSIDIARIES	2023	NAUDI	<35	43	1	44
			35-50	131	17	148
			>50	57	11	68
		TOTAL NAUDI		**231**	**29**	**260**
		GESDOCUMENT	<35	98	5	103
			35-50	66	9	75
			>50	15	3	18
		TOTAL GESDOCUMENT		**179**	**17**	**196**
		FACUNDO	<35	13	0	13
			35-50	52	5	57
			>50	40	1	41
		TOTAL FACUNDO		**105**	**6**	**111**
		TOTAL SUBSIDIARIES 2023		**515**	**52**	**567**
		TOTAL SUBSIDIARIES 2022		**567**	**38**	**605**
		TOTAL COMPANIES 2023		**565**	**54**	**619**
		TOTAL COMPANIES 2022	<35	177	16	193
			35-50	333	12	345
			>50	123	11	134
		TOTAL COMPANIES 2022		**633**	**39**	**672**

Figure 8. Number of employees by type of workday and age.

		COMPANY	PROFESSIONAL CATEGORY	FULL-TIME	PART-TIME	TOTAL
ALBA	2023	ALBA	MANAGEMENT	5	0	5
			MIDDLE MANAGEMENT	12	1	13
			OPERATORS AND ADMINISTRATIVE STAFF	33	1	34
		TOTAL ALBA 2023		**50**	**2**	**52**
	2022	ALBA	MANAGEMENT	9	0	9
			MIDDLE MANAGEMENT	22	0	22
			OPERATORS AND ADMINISTRATIVE STAFF	35	1	36
		TOTAL ALBA 2022		**66**	**1**	**67**
SUBSIDIARIES	2023	NAUDI	MANAGEMENT	20	0	20
			MIDDLE MANAGEMENT	17	2	19
			OPERATORS AND ADMINISTRATIVE STAFF	194	27	221
		TOTAL NAUDI		**231**	**29**	**260**
		GESDOCUMENT	MANAGEMENT	8	0	8
			MIDDLE MANAGEMENT	41	0	41
			OPERATORS AND ADMINISTRATIVE STAFF	130	17	147
		TOTAL GESDOCUMENT		**179**	**17**	**196**
		FACUNDO	MANAGEMENT	2	0	2
			MIDDLE MANAGEMENT	9	0	9
			OPERATORS AND ADMINISTRATIVE STAFF	94	6	100
		TOTAL FACUNDO		**105**	**6**	**111**
		TOTAL SUBSIDIARIES 2023		**515**	**52**	**567**
		TOTAL SUBSIDIARIES 2022		**567**	**38**	**605**
		TOTAL COMPANIES 2023		**565**	**54**	**619**
		TOTAL COMPANIES 2022	MANAGEMENT	36	0	36
			MIDDLE MANAGEMENT	99	2	101
			OPERATORS AND ADMINISTRATIVE STAFF	498	37	535
		TOTAL COMPANIES 2022		**633**	**39**	**672**

Figure 9. Number of employees by type of workday and professional category.

6.1.1. Redundancies

The following figures reflect employee redundancies by gender, age and professional category at 31 December 2023 in Alba and its Subsidiaries (up to 31 March) and data for 2022:

COMPANY	2023		
	WOMEN	MEN	TOTAL
ALBA	1	1	2
TOTAL ALBA 2023	**1**	**1**	**2**
TOTAL ALBA 2022	**0**	**0**	**0**
NAUDI	2	2	4
GESDOCUMENT	5	3	8
FACUNDO	0	0	0
TOTAL SUBSIDIARIES 2023	**7**	**5**	**12**
TOTAL SUBSIDIARIES 2022	**18**	**3**	**21**
TOTAL COMPANIES 2023	**8**	**6**	**14**
TOTAL COMPANIES 2022	**18**	**3**	**21**

Figure 10. Number of redundancies by gender

COMPANY	2023			
	<35	35-50	>50	TOTAL
ALBA	0	1	1	2
TOTAL ALBA 2023	**0**	**1**	**1**	**2**
TOTAL ALBA 2022	**0**	**0**	**0**	**0**
NAUDI	2	2	0	4
GESDOCUMENT	1	6	1	8
FACUNDO	0	0	0	0
TOTAL SUBSIDIARIES 2023	**3**	**8**	**1**	**12**
TOTAL SUBSIDIARIES 2022	**10**	**11**	**0**	**21**
TOTAL COMPANIES 2023	**3**	**9**	**2**	**14**
TOTAL COMPANIES 2022	**10**	**11**	**0**	**21**

Figure 11. Number of redundancies by age

COMPANY	2023			
	MANAGEMENT	MIDDLE MANAGEMENT	OPERATORS AND ADMINISTRATIVE STAFF	TOTAL
ALBA	0	0	2	2
TOTAL ALBA 2023	**0**	**0**	**2**	**2**
TOTAL ALBA 2022	**0**	**0**	**0**	**0**
NAUDI	1	1	2	4
GESDOCUMENT	0	1	7	8
FACUNDO	0	0	0	0
TOTAL SUBSIDIARIES 2023	**1**	**2**	**9**	**12**
TOTAL SUBSIDIARIES 2022	**3**	**2**	**16**	**21**
TOTAL COMPANIES 2023	**1**	**2**	**11**	**14**
TOTAL COMPANIES 2022	**3**	**2**	**16**	**21**

Figure 12. Number of redundancies by professional category

6.2. Remuneration

6.2.1. Average employee remuneration

Alba reaffirms its commitment to maintaining a remuneration model for its employees that ensures effective application of the principle of equal pay for work of equal value. In addition, it is committed to ensuring that there are no gender-based or other discriminatory pay differentials, with remuneration based strictly on merit. Remuneration is based on salary bands adjusted to the level of responsibility, type of work and alignment with market remuneration for positions with equivalent conditions. This approach takes into account the financial sustainability of the Company in this area.

In relation to Alba, average salaries have increased from 2022 to 2023 in terms of gender, age and professional category. However, this data is not comparable, as these salary differences are exclusively due to the fact that the average remuneration of the employees of Artá Capital SGEIC, S.A. is not included in this last financial year. This situation also affects the results of the pay gap (section 6.2.3.).

The average remuneration of Alba in 2023 and its Subsidiaries up to 31 March of that year, broken down by gender, age and professional category, as well as the data for 2022, are shown below:

COMPANY	2023		
	WOMEN	MEN	AVERAGE TOTAL
ALBA	100.814,52	276.082,54	201.431,35
TOTAL ALBA 2023	**100.814,52**	**276.082,54**	**201.431,35**
TOTAL ALBA 2022	**72.904,25**	**244.706,12**	-
GESDOCUMENT	27.358,09	33.142,58	29.197,51
NUADI	21.779,65	33.144,65	28.182,47
FACUNDO	22.611,81	28.606,24	27.418,16
AVERAGE COMPANIES 2022	**32.626**	**56.735**	-

Figure 13. Average remuneration by gender

COMPANY	2023			
	<35	35-50	>50	TOTAL AVERAGE
ALBA	107.467,42	164.891,97	277.904,43	201.431,35
TOTAL ALBA 2023	**107.467,42**	**164.891,67**	**277.904,43**	**201.431,35**
TOTAL ALBA 2022	**100.488,57**	**141.490,42**	**263.995,63**	-
GESDOCUMENT	26.791,87	31.266,73	34.140,04	29.197,51
NUADI	32.280,32	26.252,62	28.153,99	28.182,47
FACUNDO	21.457,95	26.630,27	30.403,33	27.418,16
AVERAGE COMPANIES 2022	**32.069**	**43.742**	**76.488**	-

Figure 14. Average remuneration by age

COMPANY	2023			
	MANAGEMENT	MIDDLE MANAGEMENT	OPERATORS AND ADMINISTRATIVE STAFF	TOTAL AVERAGE
ALBA	894.970,20	311.340,28	65.417,17	201.431,35
TOTAL ALBA 2023	**894.970,20**	**311.340,28**	**65.417,17**	**201.431,35**
TOTAL ALBA 2022	**646.855,99**	**180.727,36**	**59.187,66**	-
GESDOCUMENT	84.815,10	38.373,05	24.585,47	29.197,51
NUADI	58.998,51	21.249,64	23.834,23	28.182,47
FACUNDO	112.503,36	46.866,64	23.966,09	27.418,16
AVERAGE COMPANIES 2022	**231.035**	**71.974**	**29.229**	-

Figure 15. Average remuneration by professional category

6.2.2. Average remuneration of the Board of Directors

Corporación Financiera Alba, S.A. has a Board Remuneration Policy, the latest update of which was approved at the General Meeting on 19 June 2023.

This Policy stipulates that directors' remuneration should be in reasonable proportion to the importance of the Company, its economic situation at any given time and the market standards of comparable companies, and should be geared to promoting the long-term profitability and sustainability of the Company, incorporating the necessary safeguards to avoid excessive risk-taking and the rewarding of poor results.

The remuneration paid to directors in their capacity as such, as well as for sitting on Board Committees, is set at moderate amounts, especially when compared to those established for other listed companies.

The Board of Directors of Corporación Financiera Alba, S.A. is composed of 10 members, 4 women and 6 men. The remuneration of the Board of Directors in 2023, by virtue of sitting on the Board and its Committees, and including the multi-year variable remuneration paid in the year, totalled

Euros 6,080,500, with the average remuneration for men being Euros 916,333 and Euros 145,625 for women. This difference in average remuneration between male and female directors is due to the following: (i) the Chairman and Vice-Chairmen receive additional remuneration for the positions they hold on the Board, which is not received by the other directors; and, (ii) a bonus is included as a result of a variable remuneration plan for executive directors, agreed in 2020, and provided for in Alba's Remuneration Policy. Therefore, these differences are not the result of any gender bias since, in their capacity as directors, all members of the Board of Directors receive the same remuneration and a plus for sitting on different committees. The average remuneration of the members of the Board, excluding the aforementioned circumstances, is Euros 134,167 for male directors and Euros 145,625 for female directors.

As in the previous year, there are no commitments at 31 December 2023 in respect of pension supplements, guarantees or sureties granted to the Board of Directors.

6.2.3. Pay gap

Both **Alba** and its Subsidiaries are committed to a remuneration model for their employees that guarantees effective application of the principle of equal pay for work of equal value.

There are no discriminatory criteria, nor are any guidelines or criteria encouraged or maintained that could lead to a gender pay gap for similar categories, and the principle of equality is a key element of Alba's organisational culture.

The pay gap is measured as the difference between the average pay received by men and the average pay received by women, expressed as a percentage of the average pay of men. Alba has conducted this exercise including the data of its subsidiaries in Spain until the first quarter of 2023, but excluding the average remuneration of employees abroad, as these are not comparable with employees in Spain due to the different salary bands in each of these countries and the different currencies in which they are paid, the conversion of which into euros would significantly distort the data. For this reason, data on employees abroad and their average remuneration have been included in a separate section (see section 6.4.).

In 2023 there was a change of perimeter at Alba, as indicated above, with movement in the number of employees compared to 2022, so it is not possible to strictly monitor and compare the gross pay gap figure for the Companies, which in 2023 was 63% compared to 42% in 2022.

In addition, this aggregate gross pay gap figure does not adequately represent the situation in this area, given that the salaries of each professional category are very different in each company, and in some professional categories the presence of women is residual.

In order to provide more representative data, the pay gap data by professional category in each of the Companies referred to in this report is broken down below, with no comparison between 2023 and 2022 for the reasons indicated above.

	2023			2022		
COMPANY	MANAGEMENT	MIDDLE MANAGEMENT	OPERATORS AND ADMINISTRATIVE STAFF	MANAGEMENT	MIDDLE MANAGEMENT	OPERATORS AND ADMINISTRATIVE STAFF
ALBA	n/a	-12.20%	1.50%	n/a	55.00%	-16.00%
NAUDI	27.52%	66.56%	21.91%	22%	n/a	18.00%
GESDOCUMENT	25.44%	3.33%	5.73%	3.00%	8.00%	8.00%
FACUNDO	n/a	36.30%	9.10%	n/a	36.00%	9.00%

Figure 16. Pay gap by professional category

As mentioned above, there are no gender-based discriminatory criteria in the remuneration models applied.

6.3. Employees with disabilities

The following figure shows the comparative data for workers with disabilities, broken down by company:

COMPANY	2023
Alba	0
NUADI	3
GESDOCUMENT	5
FACUNDO	3
TOTAL COMPANIES 2023	**11**
TOTAL COMPANIES 2022	**9**

Figure 17. Employees with disabilities by company

Alba does not have any employees with disabilities in its workforce, and the General Act on Persons with Disabilities does not apply to it.

6.4. Employees abroad

At 31 March 2023, **Nuadi** had employees performing their duties in other countries, almost all of whom have permanent, full-time contracts and whose distribution and average salaries are as follows:

COUNTRY	2023			2022		
	FEMALE	MALE	TOTAL 2023	FEMALE	MALE	TOTAL 2022
CHINA	17	22	39	18	22	40
MOROCCO	110	20	130	96	17	113
MEXICO	0	3	3	n.a.	n.a.	n.a.
TOTAL ABROAD	127	45	172	114	39	153

Figure 18. Total number of Nuadi employees abroad by company and gender

COUNTRY	2023				2022		
	GENDER	HEADCOUNT	AVERAGE REMUNERATION	TOTAL AVERAGE	GENDER	HEADCOUNT	AVERAGE REMUNERATION
CHINA	FEMALE	17	11,080.62	14,018.08	FEMALE	18	90,299.00
	MALE	22	16,316.97		MALE	22	157,933.00
MOROCCO	FEMALE	110	6,688.26	6,736.45	FEMALE	96	50,111.00
	MALE	20	7,003.89		MALE	17	66,087.00
MEXICO	FEMALE	0	n.a.	26,759.83	FEMALE	n.a.	n.a.
	MALE	3	26,759.83		MALE	n.a.	n.a.
	TOTAL ABROAD	172				153	

Figure 19. Nuadi employees abroad and average remuneration by country and gender

Note: Average remuneration and total average remuneration figures in China (CNY), Morocco (MAD) and Mexico (MCN).

COUNTRY	2023				2022		
	PROFESSIONAL CATEGORY	HEADCOUNT	AVERAGE REMUNERATION	TOTAL AVERAGE	PROFESSIONAL CATEGORY	HEADCOUNT	AVERAGE REMUNERATION
CHINA	<35	8	7,340.66	14,018.08	<35	8	87,645.00
	35-50	30	16,791.73		35-50	30	146,597.00
	>50	1	2,461.71		>50	2	59,329.00
MOROCCO	<35	108	5,835.62	6,736.45	<35	90	48,554.00
	35-50	22	11,199.64		35-50	23	74,881.00
	>50	n.a.	n.a.		>50	0	n.a.
MEXICO	<35	2	26,606.72	26,759.83	<35	n.a.	n.a.
	35-50	1	27,066.06		35-50	n.a.	n.a.
	>50	n.a.	n.a.		>50	n.a.	n.a.
TOTAL ABROAD		172				153	

Figure 20. Nuadi employees abroad and average remuneration by country and age

Note: Average remuneration and total average remuneration figures in China (CNY), Morocco (MAD) and Mexico (MCN).

COUNTRY	2023				2022		
	PROFESSIONAL CATEGORY	HEADCOUNT	AVERAGE REMUNERATION	TOTAL AVERAGE	PROFESSIONAL CATEGORY	HEADCOUNT	AVERAGE REMUNERATION
CHINA	MANAGEMENT	1	80,785.69	14,018.08	MANAGEMENT	1	n.a.
	MIDDLE MANAGEMENT	12	22,594.64		MIDDLE MANAGEMENT	10	209,233.00
	OPERATORS AND ADMINISTRATIVE STAFF	26	7,957.85		OPERATORS AND ADMINISTRATIVE STAFF	29	88,742.00
MOROCCO	MANAGEMENT	1	84,616.05	6,736.45	MANAGEMENT	4	249,332.00
	MIDDLE MANAGEMENT	19	8,683.43		MIDDLE MANAGEMENT	12	73,956.00
	OPERATORS AND ADMINISTRATIVE STAFF	110	5,701.56		OPERATORS AND ADMINISTRATIVE STAFF	97	41,747.00
MEXICO	MANAGEMENT	0	n.a.	26,759.83	MANAGEMENT	n.a.	n.a.
	MIDDLE MANAGEMENT	2	27,211.10		MIDDLE MANAGEMENT	n.a.	n.a.
	OPERATORS AND ADMINISTRATIVE STAFF	1	25,857.30		OPERATORS AND ADMINISTRATIVE STAFF	n.a.	n.a.
TOTAL ABROAD		172				153	

Figure 21. Nuadi employees abroad and average remuneration by country and professional category

Note: Average remuneration and total average remuneration figures in China (CNY), Morocco (MAD) and Mexico (MCN).

The data reported in the figure above on the employees abroad are broken down by country, as required by the Non-Financial Information and Diversity Law, and only include remuneration data for 2023 and 2022.

6.5. Organisation of work[3]

Alba's Code of Ethics and Conduct includes the Company's respect for the personal and family lives of its professionals, and implements measures aimed at facilitating the enjoyment of flexibility and a work-life balance that promote this necessary balance for employees, such as the possibility of remote working. Special days are established at different times of the year: Easter and Christmas, and certain bank holiday weekends. The working day in July and August is reduced. No meetings are held outside of office hours, to encourage digital disconnection.

In 2023, Alba did not have to adopt any furlough schemes (ERTEs).

The actions carried out in this connection in the Subsidiaries, which were controlled by Alba only in the first quarter of 2023, are the following:

- **Nuadi** already established shift flexibility measures in 2021, which have remained in place since then. The administrative department has flexible start and finish times and lunchbreaks, as well as the option to leave earlier on Fridays. The other operational departments have rotating shifts to spread the workload.

  At Sadeca there are also different work shifts, which help to improve organisation, efficiency and the work-life balance.

- **Gesdocument** has implemented policies and measures to disconnect from work. In its "flexi-work" policy, the ability to remote work has been improved. This subsidiary also offers flexible start and finish times and lunchbreaks. It has a holiday policy that is better than the applicable collective bargaining agreement.

- **Facundo** has work-life balance measures in place. In the centres that are not factories, no meetings are held and, except in urgent situations or force majeure circumstances, no calls are made or mails are sent, outside of working hours. A reminder of the right to disconnect from work is included in the electronic equipment delivery forms. With the exception of the Villamuriel de Cerrato factory, which has work shifts in place, the rest of the centres do not work on Friday afternoons, and there are flexible start and finish times. An Equality Plan has been agreed with factory personnel to encourage the use of new information technologies (conference calls, telephone calls, etc.) as a means of achieving a balance between employees' personal lives and work lives, reducing, whenever possible, travel, as well as holding, whenever possible, internal meetings and training sessions during working hours.

6.5.1. Absenteeism

The following figure shows the hours of absenteeism at Alba and its Subsidiaries until the first quarter of 2023:

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[3] GRI 3-3 y GRI 403-9

COMPANY	2023
ALBA	0
NUADI	10,997
GESDOCUMENT	652
FACUNDO	2,944
TOTAL COMPANIES 2023	**14,593**
TOTAL COMPANIES 2022	**36,884**

Figure 22. Number of hours of absenteeism

The downward trend in absenteeism, which commenced in 2022, continued in 2023, although the data for the Subsidiaries is limited to until 31 March 2023, making it difficult to closely monitor and compare this type of information.

It should be noted that in 2023, no hours of absenteeism were identified in Alba.

6.5.2. Parental leave

No **Alba** employees have taken hours of parental leave in 2023 or 2022.

6.6. Health and safety[4]

Alba and its Subsidiaries have measures in place to monitor and promote health and safety in the workplace. Initiatives include carrying out training activities in this connection for employees, health monitoring programmes and external audits to verify that the procedures established in this field are being applied correctly.

Alba has specific health and safety commitments that are set out in its Code of Ethics and Conduct and in the procedures and manuals established for this purpose. All employees have the option of undergoing an annual medical check-up. In 2023, a course on first aid, basic life support and semi-automatic defibrillation was given, and an occupational health and safety assessment was carried out.

Alba's subsidiaries had in place the following measures in the first quarter of 2023:

- To comply with its health and safety policy, **Nuadi** has an occupational health and safety management system, integrating preventive activities in all aspects of management and at all hierarchical levels. It has an occupational health and safety plan, approved by management, adopted by all its organisational structure, and known by all its workers, and its essential instruments include risk assessments and the planning of preventive activities. Furthermore, periodic surveillance of workers' state of health is carried out, bearing in mind the risks inherent in their work. It has

4 GRI 3-3, GRI 403-9 y GRI 403-10

an external prevention service for the occupational health and safety portion of Sadeca.

- **Gesdocument** is subscribed to the external prevention service activities agreement with the Preving Group.
- **Facundo** has an external prevention service, Ibersys, for all the group companies.

The following figure shows the health and safety indicators for 2023 and 2022, broken down by gender, pertaining to Alba and its Subsidiaries (at 31 March 2023) for its employees in Spain:

			2023			
	HEALTH AND SAFETY INDICATORS	GENDER	FREQUENCY RATE	SEVERITY RATE	OCCUPATIONAL ILLNESSES	NUMBER OF FATALITIES
2023	ALBA	FEMALE	0.00	0.00	0	0
		MALE	0.00	0.00	0	0
	NUADI	FEMALE	20.80	0.78	0	0
		MALE	60.06	0.44	0	0
	GESDOCUMENT	FEMALE	0.00	0.00	0	0
		MALE	19.71	0.18	0	0
	FACUNDO	FEMALE	151.84	2.86	0	0
		MALE	50.08	1.60	0	0
2022	**TOTAL COMPANIES 2022**	**FEMALE**	**2.03**	**0.09**	**82**	**0**
		MALE	**31.45**	**0.32**	**8**	**0**

Figure 23. Health and safety indicators

As indicated in figure 23, there were no occupational illnesses at Alba or its Subsidiaries at the corresponding dates.

COMPANY	COUNTRY	2023		
		FEMALE	MALE	TOTAL
ALBA	SPAIN	0	0	0
NUADI	SPAIN	2	7	9
	CHINA	0	0	0
	MOROCCO	0	0	0
GESDOCUMENT	SPAIN	0	2	2
FACUNDO	SPAIN	6	8	14
TOTAL COMPANIES 2023		**8**	**17**	**25**

Figure 24. Number of accidents

6.7. Social relations[5]

Alba and its Subsidiaries strive for effective and meticulous management of its labour relations with employees, with a view to ensuring compliance with the labour rights of all employees. Furthermore, social dialogue is based on the different collective bargaining agreements in force, which guarantees respect for and adherence to the principles set out in each agreement.

The collective bargaining agreements that apply are listed below:

- For **Alba**, the Collective Bargaining Agreement for the Offices and Firms Sector of the Madrid region.
- For **Nuadi**, the Collective Bargaining Agreement for the Iron and Steel Sector of Navarra. Relations in China are governed by a State workers' agreement, and in Morocco, there is no concept of an agreement, but they do have rules based on a "Workers' Statute" with a workers' committee.
- For **Gesdocument**, the Collective Bargaining Agreement for the Offices and Firms Sector of Catalonia, Bilbao, the Madrid region, the Valencia region and Zaragoza.
- For the **Facundo** subgroup, the Food Trade Agreement of Valladolid, the Collective Bargaining Agreement for the Offices and Firms sector of Palencia, the General Trade Agreement of Palencia, the Food Trade Agreement and a Collective Company Agreement in one of the group companies.

All employees of Alba and its Subsidiaries in Spain are covered by collective bargaining agreements.

In those companies where it is applicable, there are also workers' committees and/or union representatives who ensure compliance with the principles established in the applicable agreements and the establishment of fluid means of communication between all workers and the relevant bodies of the company.

6.8. Training[6]

Alba has training procedures adapted to the needs of its employees, which take into account the characteristics of the duties they perform, their careers and their professional development, so that resources are focused on the requirements of each job position and the current market. Alba offers the training it considers useful for its employees, who can also request the training they consider necessary for the correct performance of their duties.

In 2023, employees were able to access the online and face-to-face training they needed. Worthy of note is the ESG training that has been provided to all employees and to the board of directors.

Training in the Subsidiaries is organised as follows:

- **Nuadi** has an employee welcome plan with the necessary information packages for new employees. In addition, Nuadi detects the training needs of its employees mainly from the performance evaluations of its

5 GRI 3-3 and GRI 2-30
6 GRI 3-3 and GRI 404-1

employees. The heads of each functional area are responsible for determining the training needs of their employees, which are set out in the training proposal sent annually to the human resources department.

- **Gesdocument** has several training policies for its employees: internal training provided by its specialists; external training for all employees if it is required for the job position, with a view to them improving professionally or developing skills; and a foreign language training policy, which is partially funded by the company and the rest is paid by means of a flexible remuneration. Career plans are also offered to all employees, from junior team members (interns and assistants) to seniors team members and team leaders. In addition, this subsidiary collaborates in creating jobs by working with different universities to offer internships to students to facilitate the start of their professional development and the possibility of them becoming part of the group's workforce.
- **Facundo** has a training policy for one of its companies. In the rest of its group companies, when an employee or the company detects a need for training, the need is assessed. Fundae training credits are used.

The training hours for employees of Alba and its Subsidiaries for 2023 are detailed below, taking into account that only the first quarter of 2023 is provided for the latter, thus not allowing for a sufficient comparison with 2022:

COMPANY	2023			
	MANAGEMENT	MIDDLE MANAGEMENT	OPERATORS AND ADMINISTRATIVE STAFF	TOTAL
ALBA	101	262	1,642	2,005
NUADI	93	35	276	404
GESDOCUMENT	9	318	453	780
FACUNDO	0	0	0	0
TOTAL COMPANIES 2023	**203**	**615**	**2,370**	**3,189**
TOTAL COMPANIES 2022	**444**	**1,754**	**2,533**	**4,731**

Figure 25. Total number of hours of training by professional category

6.9. Accessibility and equality[7]

Alba's Code of Ethics and Conduct includes principles of non-discrimination and equal opportunities, with the aim of creating a working environment in which all employees are treated equally and with respect and dignity, rejecting any form of violence or harassment, abuse of authority or any other conduct that violates the rights of workers and individuals.

Alba also ensures that its general meetings are accessible to people with disabilities and the elderly, in order to guarantee their right to prior information and the support necessary so that they can attend the meeting and exercise their right to participate therein.

[7] GRI 3-3

The premises in which the general meetings are held are universally accessible for people with special needs.

All buildings owned by Alba have measures in place to ensure universal accessibility for people with disabilities, in compliance with all applicable regulations. In addition, although not compulsory, accessible toilets have been installed on all floors.

Alba's subsidiaries had the following measures in place in the first quarter of 2023:

- **Nuadi** has signed a collaboration agreement with Areté Activa covering the 2023 to 2025 period, for the implementation and roll out of actions linked to the measures agreed in the 1st Nuadi Equality Plan, signed in 2021. The non-discrimination and prevention of harassment principles set out in the Code of Ethics and Conduct also apply.
- **Gesdocument** has an equality plan, which is the basis for the mandatory training on gender equality provided for all employees: "Fostering equality in Gesdocument". This training is also included in the initial training plan for new hires. This subsidiary also has a harassment prevention code and a confidential internal ethics channel available to all employees. Moreover, its offices comply with the measures required to facilitate access for people with disabilities.
- **Facundo** has an equality plan, which describes the measures for its implementation and development. Furthermore, in the event that in a selection process there are two or more finalists that equally meet the requirements and fit in the role for the position offered, preference is given to the candidate who belongs to an under-represented group. This subsidiary also has a policy of bringing the workplace closer to employees' homes for the care of children under 12 years of age or dependent family members with a disability rating of over 65%. In addition, factory visits are universally accessible.

7. Information on environmental matters

7.1. Policies[8]

As part of Alba's commitment to its stakeholders, the Board of Directors of Corporación Financiera Alba, S.A. has approved various internal policies and regulations, such as the Sustainability and Investment Policies and the Code of Ethics and Conduct, which sets out the guidelines for action on environmental issues. Alba's Code of Ethics and Conduct sets out its commitment to the environment, both in terms of its direct activity and in the environmentally responsible behaviour of the companies in which it invests.

Alba's Sustainability Policy reflects its unwavering commitment to preserving the natural environment, reducing the negative impact of its activities and highlighting the fight against climate change. Based on the definitions of these

8 GRI 3-2 and GRI 3-3

commitments, Alba focuses on pollution prevention and the responsible and sustainable use of resources, as well as appropriate waste management. Furthermore, since 2017 its Investment Policy has included criteria for assessing responsible investments, ensuring that it invests in companies with sound environmental practices.

In addition, as a signatory to the United Nations Global Compact, Alba is actively committed to environmental conservation, abiding by legal requirements and carrying out its activities while endeavouring to minimise potential environmental impacts. The environmental Principles of the Global Compact use, as their baseline framework, three principles enshrined in the earlier Rio Declaration on the Environment and Development, whereby companies should adopt a precautionary approach that favours the environment, foster initiatives that promote greater environmental responsibility and promote the development and spread of environmentally-friendly technologies.

In view of the activities carried out by Alba, the details of which are set out under section 2.1.2 of this report, no significant environmental impact has been identified either at present or potentially in the future.

Environmental topics are not among the most salient matters for its stakeholders. The most significant issues, as can be observed in the materiality analysis in section 4, are the topics related to sustainable resource use and the circular economy, and those related to energy and energy efficiency measures.

In the first quarter of 2023, Alba's Subsidiaries have the following environmental regulations and measures in place:

- Nuadi has a certified Environmental Management System that meets the stipulations of ISO 14001:2015. This system contains an Environmental Policy that completely respects the environment where it operates. It also has an Environmental Management Department that involves the entire organisation in these issues. It has taken out public liability insurance for all types of environmental incident, although no such incidents have taken place. Implementation of its Waste Reduction Plan began in 2020.

  Sadeca's environmental targets are included in the company's overall objectives. Simulations are carried out and environmental incidents are monitored as KPIs.

- **Gesdocument** applies environmental criteria across its activity and has somebody in charge of executing the procedures for the prevention and management of environmental and health and safety impacts, despite the fact that its activity has little impact on the environment.

- **Facundo** has an Environmental Policy, the main principles of which are as follows: (i) to ensure compliance with the environmental legislation and regulations applicable to its facilities and operations; (ii) to apply the necessary measures to prevent pollution, minimise waste generation and make responsible use of material and energy resources; and (iii) to promote environmental training and awareness among all employees. The environmental control function is carried out by its quality department, the activity of which is geared towards preventing environmental risks and promoting ways to achieve a sustainable organisation.

7.2. Environmental management and performance

7.2.1. Energy and climate change[9]

One of Alba's commitments, as set out in its Sustainability Policy, revolves around mitigating climate change and minimising the impact that its activities may have in this regard. Given the nature of its activity, the impacts are monitored using indicators that measure energy consumption and the generation of the associated emissions. Furthermore, for the purposes of this Non-Financial Information Statement, the indicators have been calculated in accordance with the EU Taxonomy of Sustainable Finance Regulation 2020/852. These indicators help Alba to ascertain and optimise the impact of its activities on climate change and the natural environment, encouraging the consideration of sustainable and environmentally-friendly business models.

Alba will continue to work on identifying, assessing and managing climate change risks and opportunities, as well as evaluating the financial impacts that these could have on its activity.

At **Alba**, energy consumption is mainly from the use of lighting, air conditioning and IT equipment at its owned offices and buildings (Castellana 42, Castellana 44, Castellana 89 and the Oasis buildings). With a view to reducing this consumption, various energy efficiency measures have been implemented, such as the replacement of traditional light bulbs with LEDs, building renovations to increase energy efficiency and external energy efficiency controls and audits, all of which helps Alba to reduce its environmental impact.

In addition, the Castellana 89 building has held the LEED Gold Seal awarded by the U.S. Green Building Council (USGBC) since 2021, which guarantees the eco-efficiency of the building. In addition, an agreement was signed in 2023 to ensure the supply of energy from 100% renewable sources. A process got underway in 2022 to remove gas boilers and replace chillers with heat pumps to further improve energy efficiency and reduce Alba’s carbon footprint. The above-mentioned renovations were completed in 2023. New aerothermal chillers with heat pumps were installed and three of the four existing boilers were removed, reducing natural gas consumption to instances of extreme necessity only. In addition, a study has gotten underway to install photovoltaic panels for self-supply on the building’s roof.

A photovoltaic plant has been in operation at the Oasis building since January 2021, providing part of the energy needed for the building's installations and services, with a consequent reduction in electricity consumption. Production during the year totalled 194,979 kWh, up 62% on the previous year. This avoided the equivalent of 34,364 kg of CO_2e being released into the atmosphere (CNMC emission factor). In addition, the potable water system has been replaced to limit leakage and consumption meters have also been installed.

At the end of the 2022 financial year, work began on the ESG improvement study for the Castellana 42 building. In addition to the foregoing, work was also carried out in 2023 to improve the building’s energy efficiency and ensure optimum working conditions, as well as the health and

[9] GRI 3-3, GRI 302-1, GRI 302-2, GRI 302-4 and GRI 305-1

safety of its occupants. Key improvements include the replacement of light fittings with LED panels, which reduce energy consumption and optimise the use of lighting through motion sensors and smart programming; the enhanced insulation of façades and roofs, which improves the thermal insulation of the building and helps to reduce heat loss in winter and heat input in summer. This reduces the need for heating and cooling, respectively, and contributes to greater thermal comfort for occupants; the installation of low consumption timed taps, which reduces wasteful consumption of drinking water in the building; the installation of individual water consumption meters; air ionisation with monitored air quality, which contributes to improving indoor air quality by reducing the presence of pollutants and pathogens and promotes a healthier environment for building occupants. The continuous monitoring of air quality is essential to ensure its effectiveness and to maintain optimal levels of comfort and health. A roof terrace with vegetation has also been created for tenants' use and enjoyment. This building has a 100% renewable electricity supply contract and is currently undergoing a pre-assessment process for LEED certification.

The Castellana 89 and Castellana 42 buildings have vinyl solar filters on their façades that reduce solar radiation and, therefore, the energy needed for air conditioning.

Work continued in 2023 to prepare the Castellana 44 building for its comprehensive refurbishment. This includes the replacement of its façades and new, more efficient installations, all with the aim of increasing its energy efficiency and sustainability and achieving better levels of comfort and maintenance. These works will also enable it to secure sustainable building certification.

Likewise, six electric vehicle charging points were installed at the Castellana 42 building in 2023. The Oasis and Castellana 89 buildings have had electric vehicle charging points since 2021, which can be used by their users after arranging the service with the electricity supplier.

The Castellana 42 and Oasis buildings have bicycle parking facilities to promote cycling, which is an alternative to other more polluting modes of travel.

The environmental performance of Alba's Subsidiaries during the first quarter of 2023 is detailed below:

- **Nuadi** has installed LED lighting throughout its plant in Spain as a measure to reduce energy consumption.
- As part of its efforts to respect the environment and optimise resource use, **Gesdocument** has installed LED lights, fostered the elimination of paper, arranged cleaner energy supply agreements, and contributed to the progressive reduction of its carbon footprint by eliminating unnecessary travel and using, wherever possible, trains instead of planes.
- **Facundo** is committed to improving the energy performance of both its facilities and equipment, taking into consideration opportunities to improve the design and procurement of energy-efficient products and services. It has continued to replace conventional light fittings with LEDs and has forged ahead with the installation of stepper motors,

the use frequency converters instead of starters and has improved the thermal insulation of the manufacturing bays. It also began to calculate its first carbon footprint in the first quarter of 2023.

The following figures reflect the energy consumption and greenhouse gas emissions of Alba and its Subsidiaries up until 31 March 2023:

Energy consumption

COMPANY	2023			
	% ENERGY CONSUMED FROM RENEWABLE SOURCES	ELECTRICITY CONSUMED (MWh)	NATURAL GAS CONSUMED (MWh)	DIESEL CONSUMED (litres)
ALBA	51.27%	4,353	1,395	20,705
TOTAL ALBA 2023	**50.44%**	**4,353**	**1,395**	**20,705**
TOTAL ALBA 2022	**16.48%**	**4,833**	**2,212**	**20,333**
NUADI	n.a.	1,138	723	4,368
GESDOCUMENT	n.a.	70	n.a.	n.a.
FACUNDO	n.a.	481	254	86,802
TOTAL SUBSIDIARIES 2023	**n.a.**	**1,688**	**977**	**91,170**
TOTAL SUBSIDIARIES 2022	**n.a.**	**3,487**	**1,889**	**245,744**
TOTAL COMPANIES 2023	**50.44%**	**6,041**	**2,372**	**111,875**
TOTAL COMPANIES 2022	**16.48%**	**8,320**	**4,101**	**266,077**

Figure 26. Energy consumption

Note: 2023 includes the Nuadi data for all applicable countries.

Greenhouse gas emissions (GHG) (tonne CO_2eq)

Greenhouse gas emissions (GHG)	2023		
	SCOPE 1 (ton CO_2 e)	SCOPE 2 (ton CO_2 e)	TOTAL (tonne CO_2 e)
TOTAL ALBA 2023	**517.96**	**572.71**	**1,090.67**
TOTAL SUBSIDIARIES 2023	**425.79**	**455.75**	**881.54**
TOTAL COMPANIES 2023	**943.75**	**1,028.47**	**1,972.22**
TOTAL COMPANIES 2022	**1,566.00**	**2,163.00**	**3,729.00**

Figure 27. Greenhouse gas emissions

Note: the 2023 data for Subsidiaries refers to Nuadi and Facundo's activities for Scope 1 emissions.

Alba's electricity consumption stems from the operation of its buildings. Alba’s electricity consumption fell by 11% with respect to 2022, thanks to energy efficiency improvements, in particular the above-mentioned improvement at the Castellana 89 and Castellana 42 buildings. Energy self-supply at the Oasis building in 2023 came in at 125,877 kWh, up 34% on 2022. Energy efficiency certifications were renewed in 2023 at the Castellana 89, Castellana 42 and Oasis buildings, securing better ratings and a reduction in CO_2 emissions.

Natural gas consumption was down by a considerable 64% with respect to 2022, due to the removal of three natural gas boilers at the Castellana 89 building.

With regard to GHG emissions, as indicated in other sections of this Report, the change in the scope of consolidation in 2023 prevents a comparison and strict monitoring of that year's data with previous years. However, Alba's efforts to reduce its carbon footprint are reflected in the share of energy consumed from renewable sources, rising from 17.48% in 2022 to 50.43% in 2023. Across Alba's buildings, 54.14% of total energy consumed is from renewable sources, of which 6.18% is from its own clean self-supply. As of the first quarter of 2023, the Castellana 89 building terminated its conventional energy contract and entered into an agreement for the supply of energy from certified renewable sources, which avoided the release of 347,006 kg CO_2e into the atmosphere in 2023. Alba also offset 100% of its transport emissions with Cabify. In this regard it offset the kilometres travelled using this service, which amounted to 11 kg of CO_2.

7.2.2. Sustainable resource use and circular economy[10]

Alba has adopted a raft of measures which, as mentioned above, aim to improve efficiency and foster the sustainable and responsible use of resources. Given that the main material used in its activities is paper, to order to minimise consumption, Alba has a digital archive in place for all departments, through which files can be consulted, downloaded and shared. In addition, all paper used is certified with the FSC environmental stamp.

The environmental performance of Alba's Subsidiaries during the first quarter of 2023, in terms of the sustainable use of resources, is detailed below:

- The main raw material input in **Nuadi**'s production process are steel coils of various sizes. After the manufacturing process, surplus material is sent to a waste metal management company. The reduced size of the waste shavings make them highly suitable for use in automatic dosing systems at foundries or steel mills to control the composition of the molten mix. The waste management company sends the vast majority of surplus material to a steel mill located some 40 kilometres away, where they are converted into engine blocks and cylinder heads for reuse in the automotive manufacturing sector. As for water, this will feature in future phases of its Waste Reduction Plan.

  With regard to Sadeca, this company's water consumption is only for human and sanitary purposes and is not used in the industrial process. The company uses recycled raw materials such as polyamide or PVC injection pellets, harnessing the injection waste of both for subsequent sale as a by-product for the manufacture of recycled material. The waste that is recycled and recovered includes paper and cardboard, film, wood from pallets, leftover stainless steel parts, cable and non-hazardous waste.

- For **Gesdocument**, the water consumption at its various branches remains insignificant and has been assumed by the lessors of the properties. Although there is no formal waste management, Gesdocument

[10] GRI 3-3, GRI 301-1 and GRI 303-3

continues to promote digitalisation as opposed to the use of paper.

- In its manufacturing processes, **Facundo** has always sought to optimise the use of natural resources and remains steadfast in its commitment to carry out its activity in a sustainable manner, using the most advanced techniques available and adopting the necessary measures to reduce its environmental impact. It has therefore paid particular attention to improving its production equipment, so that there are no breakdowns or leaks leading to raw material losses. The same can be said of water supply networks to avoid uncontrolled water leakage.

  In view of market quality requirements and to prevent food waste, it has continued to improve conveyor elements, such as belts and vibration equipment to minimise waste. Moreover, all manufactured products are stored at room temperature, which has a favourable environmental impact, and the vehicles used to transport products comply with current regulations. The primary suppliers of maize and potato submitted the relevant agricultural records that show the traceability of the treatments carried out. The "dry" organic waste is used as animal feed.

The following figure shows the consumption of materials by Alba and its Subsidiaries up until 31 March 2023:

Raw materials used

COMPANY	2023			
			OTHER MATERIALS	
	WATER CONSUMED (m^3)	PAPER CONSUMED (kg)	FILM CONSUMED (kg)	STEEL CONSUMED (tonne)
ALBA	32,678	1,068	n.a.	n.a.
TOTAL ALBA 2023	**32,678**	**1,068**	**n.a.**	**n.a.**
TOTAL ALBA 2022	**29,896**	**930**	**n.a.**	**n.a.**
NUADI	1,302	268	n.a.	6,480
GESDOCUMENT	n.a.	140	n.a.	n.a.
FACUNDO	3,065	122,355	35,079	n.a.
TOTAL SUBSIDIARIES 2023	**4,367**	**122,763**	**35,079**	**6,480**
TOTAL SUBSIDIARIES 2022	**9,987**	**5,764**	**141,000**	**n.a.**
TOTAL COMPANIES 2023	**37,045**	**123,831**	**35,079**	**6,480**
TOTAL COMPANIES 2022	**39,883**	**6,694**	**141,000**	**n.a.**

Figure 28. Raw materials used

Note: 2023 includes the Nuadi data for all applicable countries. Nuadi's steel consumption excludes data from Morocco due to the difficulty in obtaining data from that unit.

Given the diversity of Alba's Subsidiaries, the consumption of materials is likewise heterogenous and does not affect all the Subsidiaries to the same extent. This is the case of Facundo's film consumption, for example, which amounted to 141,000 kg during the first quarter of 2023. As mentioned earlier, the change in the scope of consolidation prevents a comparison and strict monitoring of this year's data with that of previous years.

At **Alba**, on the other hand, the consumption of natural resources has increased slightly compared to 2022. Water consumption increased by 9% as the buildings reached almost full occupancy in 2023. Paper consumption has increased by 15%.

Alba continues to channel efforts into reducing its consumption and adopting specific measures to cut down waste generation and ensure its correct treatment and handling. Water fountains are installed at Alba's offices and all employee have been given their own glass bottle and personalised mug to avoid using disposable cups. Improvements continue to be made in terms of waste management, such as coffee capsules, batteries and other office waste, as well as in the recycling of polluting waste such as printer toner cartridges.

At the buildings operated by Alba, taps fitted with timers have continued to be installed to reduce the consumption of drinking water, as well as dual flush cisterns and individual water consumption meters, which result in better water use. The water leakage prevention measures mentioned earlier have been implemented at the Oasis building to avoid water wastage.

The data below shows the waste generated by Alba and its Subsidiaries up until 31 March 2023:

Waste generated

COMPANY	2023	
	WASTE GENERATED (tonne)	
	HAZARDOUS	NON-HAZARDOUS
ALBA	0	163
TOTAL ALBA 2023	**0**	**163**
TOTAL ALBA 2022	**n.a.**	**n.a.**
NUADI	114	65
GESDOCUMENT	n.a.	n.a.
FACUNDO	5	27
TOTAL SUBSIDIARIES 2023	**119**	**91**
TOTAL SUBSIDIARIES 2022	**429**	**19,272**
TOTAL COMPANIES 2023	**119**	**254**
TOTAL COMPANIES 2022	**429**	**19,272**

Figure 29. Waste generated

Note: 2023 includes the Nuadi data for all applicable countries.

Alba began accounting for waste at some of its buildings (Castellana, 89 and Castellana, 42) in 2023. A portion of the waste generated during the year is due to the refurbishment work at Castellana 42, the aim of which is to improve the building’s sustainability. Therefore, there is no data in 2022 with which to make a coherent comparison.

In addition, a clear decrease in the amount of waste can be observed for the companies from 2022 to 2023, due to changes in the scope of consolidation and the period of time that includes Alba's Subsidiaries. Nuadi is the subsidiary that contributes most to waste generation, specifically its activity in Pamplona.

8. Ethics, human rights and the fight against corruption

8.1. Ethical conduct and respect for human rights[11]

Alba's Code of Ethics and Conduct sets out the values and principles that should govern its conduct. This Code affects all persons who, in the discharge of their duties and conduct of their employment, commercial and professional relationships, have dealings with the Company. The following such values are particularly noteworthy:

- Respect for human rights and commitment to the Global Compact, of which it is a Signatory Partner.
- Ethical and lawful conduct.
- Fair and respectful treatment, based on equal opportunities and non-discrimination.
- Respect for the environment.
- Respect for the interests of other persons related to the Company.
- Prudence in the pursuit of the Company's activities, risk-taking and dealings with customers.
- Information processing based on rigour, integrity and transparency.

The above Code lays down mandatory rules of conduct for Alba's governing bodies, executives and employees, as well as for third parties that have dealings with Alba.

Also, given the importance of internal whistleblowing channels, there is a procedure for reporting -confidentially and in certain cases anonymously- any acts or conduct occurring within the Company or in dealings with third parties that may be contrary to the applicable regulations or to Alba's Code of Ethics and Conduct, or that may be detrimental to Alba. The Whistleblowing Channel may be used by all persons inside and outside the Company, the latter including Alba's customers, suppliers, contractors and partners. As noted in section 3.1 of this report, the Whistleblowing Channel was adapted to certain provisions of the Whistleblowing Law in 2023.

Alba provides its employees with a reminder of the Code of Ethics and Conduct each year. The reminder circulated in 2023 reiterated the general rules of conduct to be followed, the functions of the Monitoring Committee and the procedure for monitoring compliance with the Code and the Whistleblowing Channel, which guarantees whistleblower confidentiality and establishes the scenarios in which anonymous communications are accepted.

No complaints or Code of Ethics and Conduct-related suggestions or queries were received in 2023.

Alba's subsidiaries also had measures of this kind in place in the first quarter of 2023:

11 GRI 3-3, GRI 3-2, GRI 2-23, GRI 2-26 and GRI 406-1

- **Nuadi** has a Code of Ethics that lays down the bases of conduct and associated values applicable to both the persons forming part of the entity and third parties that have dealings with it. Such conduct is based on constant respect for human rights and the regulations established in each particular case.

  Up to 31 March 2023, Nuadi had received no complaints concerning human rights violations or bribery.

- **Gesdocument** has a Code of Conduct and Ethics, a Harassment Prevention Code and an Ethics Channel Reporting Protocol. In addition, the onboarding process to which each employee is subject includes mandatory ethics training, together with a knowledge validation test. Employees can access the training course material at any time from the GD Avanza internal training platform.

  It is worth noting that no complaints were received via the company's whistleblowing channel between 1 January and 31 March 2023.

- **Facundo** does not have a code of ethics in place and applies the provisions of the applicable collective bargaining agreements.

  There were no complaints relating to human rights violations in the first quarter of 2023.

8.2. Anti-corruption and anti-bribery management[12]

Alba takes the necessary steps to ensure compliance with its oversight duties with a view to preventing the commission of the offences referred to in its crime prevention model. Ethical values and responsible conduct permeate the everyday lives of everyone who forms part of Alba. To safeguard these values and, in particular, combat all forms of corruption, the Board of Directors of Corporación Financiera Alba, S.A. approved the Crime and Fraud Prevention Policy in 2015.

On the back of this Policy, a Crime Prevention Manual was established, the latest update of which was approved in 2020 by the Audit and Compliance Committee. This Manual constitutes the reference framework of the Crime Prevention Model. The Manual sets out a series of effective measures aimed at preventing, detecting and reacting to criminal conduct. It applies to directors, executives and employees, and enables situations involving the potential commission of wrongdoings to be monitored. The principles upon which it is based, namely, coordination and participation of all professionals, transparency and communication, effective action, training, etc., ensure the proper implementation, monitoring and improvement of the Model.

Contracts with third parties also contain clauses requiring such third parties to monitor situations involving a risk of crimes, infringements or serious irregularities, and to reject corruption and fraud, including extortion, bribery and kickbacks.

Moreover, Alba's general rules of conduct in the Code of Ethics and Conduct specifically mention bribes, commissions, gifts and presents, and Alba is

12 GRI 3-3, GRI 3-2, GRI 2-23 and GRI 2-26

opposed to influencing the will of individuals outside the Company in order to obtain a benefit through unethical practices. It likewise forbids other individuals or entities from doing so with their employees. Hospitality and business courtesies in favour of public officials in tenders in which Alba participates, facilitation payments and donations to trade unions, political parties and donations or sponsorships to obtain favourable treatment for Alba are prohibited. Only gifts of negligible financial value may be accepted.

Alba's Code of Ethics and Conduct also refers to compliance with the provisions on the prevention of money laundering and the financing of terrorism.

Alba's subsidiaries also had measures of this kind in place up to 31 March 2023.

- **Nuadi** has several documents over and above the aforementioned Code of Ethics, which regulate and control any such conflicts of interest as may arise in the conduct of the business and cases relating to intellectual property and the confidentiality of the information handled by the company, which are applicable both in Spain and in China. These documents are the "Confidentiality and Intellectual Property Agreement Non Solicitation Agreement - NUADI Europe" and the "Code of Ethics and Business Conduct - NUADI Europe v.2".
- **Gesdocument** has several internal codes in place in respect of the fight against corruption within the company, such as the 2018 Harassment Prevention Code, the 2020 Money Laundering Prevention Manual, the 2020 Corporate Report and a 2018 Anti-Corruption Policy.
- **Facundo** does not have a policy in place in this area, as the nature of its business means that the risk of corruption and money laundering is low. An analysis of these risks has revealed the risk of the misappropriation of small amounts of cash during distribution to stores. To ensure control, the money is deposited and checked by different people. Although the risk associated with bribery practices is also very low, efforts are made to maintain good business practices.

9. Information about the Company

9.1. Alba's commitments to sustainable development[13]

Alba's Sustainability Policy establishes the principles for, and scope of, its contribution to improving personal well-being and fostering the economic and social development of the communities in which it operates, while creating value for its various internal and external stakeholders. Alba's primary responsibility as regards sustainability is to ensure the utmost diligence and integrity throughout the investment process. To this end, its investments are based on three principles:

- A long-term vision.
- Responsible management, selecting the assets over which it has the greatest capacity for influence and transformation.

[13] GRI 3-3, GRI 3-2, GRI 2-6, GRI 2-28 and GRI 2-29

- Mitigation of non-financial risks, including social, environmental and governance-related risks.

Along with these principles, others such as the pursuit of excellence, the fostering of transparency, integrity and business ethics, the adoption of best corporate governance practices and the promotion of human rights are also noteworthy.

In addition, Alba is committed to seeking a balance between financial profitability and sustainable development, in terms of its impact on its surrounding community and society as a whole, respecting both the environment and the interests of shareholders, employees and other groups and individuals with which it interacts.

Alba is stakeholder-focussed and has in place the communication channels necessary to be able to respond to all of its stakeholders' needs and expectations.

It also strives to extend these guidelines and responsible principles to its subsidiaries and investees through its representatives. Alba demonstrates its commitment to achieving the Sustainable Development Goals through its investments, its own activities and the activities of its investees. As part of its commitment to the Global Compact initiative in Spain, Alba participates in the training activities organised by its training platform and submits progress reports to the organisation. In 2023, it attended four training sessions organised by the Global Compact initiative, on issues related to sustainable development.

Alba makes financial contributions to a number of foundations and organisations that carry out a range of initiatives to promote sustainable development, with the aim of exchanging knowledge and concerns related to its activity. In 2023, Alba made contributions totalling Euros 364,500 to Fundación Juan March, Fundación Tengo Hogar, Fundación de Estudios de Economía Aplicada (FEDEA), Fundación Parques Reunidos and Emisores Españoles.

It also implemented the following actions in 2023 as part of its commitment to sustainable development:

- Social and cultural commitment: Alba seeks to implement its social actions at a local level, building bridges between neighbouring communities and the entities that make a difference locally thanks to our donations. Alba's strong social and cultural commitment is borne out by its contribution to Fundación Juan March. The Foundation's mission is to promote culture in Spain and its activities in this area include exhibitions, concerts and conferences held at its headquarters in Madrid. In addition, as part of its social commitment to reducing the vulnerability of certain populations to disasters, for the second year, Alba has made a contribution to Fundación Tengo Hogar, which supports Ukrainian refugee families in Spain, offering them housing solutions and assisting them with their integration into society and the workplace.

- Commitment to social and environmental sustainability: Alba contributes to social and environmental action through its contribution to Fundación Parques Reunidos, whose mission is to contribute to a more caring and sustainable world through its childhood and health, social inclusion, education and awareness, biodiversity conservation and research programmes.

- Commitment to innovation: Alba assists companies on the journey towards sustainable development by means of an annual contribution to FEDEA. Through its research, FEDEA seeks to contribute to enriching the public debate on the issues most relevant for the smooth functioning of Spain's economy, its sustained growth and the welfare of its citizens.

- Commitment to other organisations: Alba has been a signatory member of the Global Compact since 2015, and is committed to the Ten Principles of the Global Compact. These Principles include support for the elimination of discriminatory employment practices, the fight against corruption in all of its forms, a precautionary approach to environmental challenges, and the encouragement of initiatives to promote greater environmental responsibility. Since its creation in 2009, Alba has also been a member of Emisores Españoles, an association whose aims include improving communication between companies and their shareholders, developing high levels of good corporate governance and enhancing legal certainty in relation to the issuance, trading, settlement and registration of listed securities. All this, based on a relationship of ongoing dialogue and close cooperation with the public administrations, particularly the National Securities Market Commission (CNMV).

  Since 2020, Alba has adhered to the State Tax Agency's Code of Good Tax Practices, promoted by the Large Companies Forum.

Finally, Alba's commitment to sustainability is reflected in its listing in October 2023 on the IBEX ESG, one of the Bolsas y Mercados Españoles (BME) sustainability indexes. Alba and six of its investees are among the 47 companies listed on this index. The six Alba investees that are included on BME's Ibex ESG are Acerinox, S.A. and Inmobiliaria Colonial Socimi, S.A. (both IBEX 35 companies), and Cie Automotive, S.A., Ebro Foods, S.A., Global Dominion Access, S.A., and Viscofan, S.A.

The sustainable development commitments of Alba's subsidiaries up to 31 March 2023 were as follows:

- During the first quarter of 2023, **Nuadi** made no contributions to industry associations, other not-for-profit associations or NGOs, nor has it engaged in any sponsorships.
- **Gesdocument** promotes a close relationship with the community and promotes continuous improvement with and for its customers in the solutions and services that it offers.

  In 2023 Gesdocument was a sponsor of and jury member in the last edition of the AECA Awards for Business Transparency. With a view to contributing to the progress of society, the company is also affiliated with several international associations such as LEA, EuRA, IHR Providers, the British Chamber of Commerce, Economía 3, E&J, and has established alliances with new partners (Tolley, Partners Immigration and the EU Posted Workers Alliance) while collaborating with other providers (ORH, IHR Providers, etc.). It made no contributions to non-profit associations in the first quarter of 2023.
- Despite its location in the sparsely populated towns of Villada and Villamuriel de Cerrato, in Palencia, **Facundo** has achieved significant growth and has become a benchmark in its sector. It collaborates with the local authorities continuously, at no charge or by means of financial contributions, in a variety of activities. Its deep-rooted commitment to local development is reflected in its factories in the above towns, which provide employment for

local residents, thereby helping to combat depopulation, which is crucial in rural areas. The company strives to respond to all local requests for collaboration, be it from public institutions, sports clubs, schools, or others. It made no contributions to industry or non-profit associations, and engaged in no sponsorships in the first quarter of 2023.

9.2. Subcontractors and suppliers[14]

Alba extends the principles and values set out in its Code of Ethics and Conduct to its entire value chain, including contractors, suppliers and collaborators who have a business relationship with the company. Thus, in their contracts and collaboration agreements, they must undertake to observe and comply with the principles of respect for human rights, the environment, the law and ethical principles, in accordance with Alba's Code of Ethics and Conduct.

Alba has a Whistleblowing Channel, referred to in other sections of this report, which is accessible to third parties with which Alba does business.

This Whistleblowing Channel is a confidential and, in certain cases, anonymous channel for reporting acts or conduct known to have taken place, or of which there is reasonable evidence, that may be in breach of the applicable regulations or the Code itself. If the reported act or conduct meets the relevant requirements, the pertinent procedure is followed, concluding with the relevant corrective, preventive and organisational actions and measures. If processing of the complaint reveals that there is sufficient evidence of the perpetration of a criminal offence or of conduct in breach of the securities market regulations, the competent authorities are notified.

Alba's subsidiaries had in place the following measures in the first quarter of 2023:

- **Nuadi** has established an internal purchasing procedure applicable to its suppliers, which covers both products and processes.

  Suppliers are not required to have policies in place, but Nuadi places great value on them taking a proactive attitude to identifying environmental aspects in order to evaluate their impact and implement improvements within their companies.

  It also has a system of annual supplier audits, according to VDA benchmarks, based on the level of performance and risk of each supplier.

  Sadeca does not have a purchasing policy in place. However, it makes its Code of Ethics available to its suppliers and, in accordance with the Suppliers' Manual provided to them, on entering into contracts with them it applies environmental criteria such as certification, proximity, optimisation of packaging and transport, etc., as well as legal and regulatory compliance criteria. If the supplier does not hold ISO14001 certification, it is asked to complete an environmental questionnaire. It also has an annual supplier audit plan, whereby suppliers are selected on the basis of criteria such as strategic importance,

[14] GRI 3-3, GRI 308-1 and GRI 414-3

certification level, quality and service level, and responsiveness, among others.

- **Gesdocument's** Code of Ethics includes guidelines and standards that are also applicable to the companies in its value chain. In addition, it has a whistleblowing channel available to all of its professionals, customers, suppliers and business partners, to enable them to raise any doubts they may have regarding the Code of Ethics or report any reasonable indication or suspicion of acts in breach of the standards established in the Code of Ethics. In the event of detection of conduct infringing its Code of Ethics, the relevant business relationship may be terminated immediately. Compliance with the Harassment Prevention Code and related policies is also mandatory.
- **Facundo** does not have a written purchasing policy document, but it applies the same business principles as the company to both national and international suppliers. In addition, its supplier in China holds the Business Registration Certificate (BRC) attesting to its compliance with specific requirements guaranteeing the safety, quality and legality of suppliers' products. The company is in regular contact with its suppliers by phone and by email. For international suppliers, intermediaries are used to purchase raw materials, thereby guaranteeing quality standards and best practices. The purchasing manager occasionally visits supplier premises to assess the quality of products on site.

9.3. Consumers[15]

The companies apply appropriate consumer health and safety procedures, making suitable communication, complaints and claims mechanisms available to their consumers in each case, adapted to the type of activity pursued by each one.

In its real estate activities, **Alba** implements all health and safety measures provided for in the applicable legislation.

It also provides all necessary means for the coordination of business activities in the buildings it owns via a document platform on which all tenants and other users may access the general documentation relating to the building.

Contracts with tenants and internal building regulations set out the procedures necessary to manage the various needs that may arise.

Buildings are equipped with a variety of security measures, such as a 24-hour surveillance service every day of the year, CCTV systems and alarms alerting to the opening of emergency exits. All buildings are also up to date with the inspection schedules for the different installations. Alba also has in place mandatory civil liability insurance for the buildings.

15 GRI 3-3 and GRI 207-4

A number of measures have been implemented to protect the health of the users of the buildings it operates: the Castellana 42 building has interior green areas that improve air quality and, in 2023, a roof garden was installed for use by tenants; the Castellana 42 and Castellana 89 buildings have ambient air ionisation systems to eliminate pathogens and detect CO_2, and air quality is monitored.

No complaints or claims were received in relation to the buildings in 2023.

Alba keeps records of personal data processing activities in relation to its customers, suppliers, building access control and video surveillance.

These records of personal data are also kept in relation to employees, shareholders, the electronic forum for shareholders, affected parties in relation to the securities market and the Whistleblowing Channel referred to in the Code of Ethics and Conduct.

To safeguard stored data, its IT systems have different cybersecurity protection measures for each layer or service: firewalls, AV systems, anti-phishing software for e-mails, etc. All customer PCs and servers have EDR systems installed with the services of a SOC (Security Operations Center) for continuous monitoring. As part of the contingency plan and business continuity plan, there are two data centres to maintain the infrastructures necessary to support the business from a technological viewpoint and an information replication system. Backups and replicas are created and stored as needed (on a daily, weekly, monthly, yearly, etc. basis). Strong password security policies are in place for local identity management, with different permissions depending on roles, etc. and there is two-factor authentication process for identity management in the case of critical IT roles.

In 2023, Alba provided 80 hours of in-company training for IT security planning and also provides employee cybersecurity training in the form of bite-sized learning emails on the subject. These learning bites are permanently available on Alba's intranet, enabling employees to access the information and review it again at any time. This practice helps to increase employee awareness on the importance of cybersecurity and how they can contribute to keeping the company's information secret. A total of 11 cybersecurity learning bites were sent out in 2023.

In the first quarter of 2023, Alba's subsidiaries had in place and implemented the following consumer-related measures and actions:

- **Nuadi** has a cybersecurity system in place to protect its customers' data with a firewall, a system for monitoring and logging access to control unauthorised connections, and equipment and servers equipped with antivirus software. Vulnerability checks are performed regularly along with updates to the latest versions of software and firmware. As part of its contingency plan, it uses daily and weekly backup and replica solutions. It has security policies and a password complexity factor in place for services hosted on internal servers. Users are assigned access to information according to their defined roles. Access for roles identified as critical is subject to two-factor authentication. It also has in place a customer-oriented complaints management system, certified according to the IATF standard. Customer complaints management and monitoring processes are essential in order to obtain this certification. At 31 March 2023, nine customer complaints had been received, complaint being defined as any action taken by a customer as a result of any dispute in the dealings between the two organisations. Customer complaints can be received by various means: telephone, fax, letter, e-mail, in person, or via an employee reporting to Quality.

Sadeca also has a complaints system, essentially implemented via the customer satisfaction index (CSI), which analyses aspects such as punctuality of deliveries, urgent transport, quality complaints and stoppages in the production chain, among others.

- **Gesdocument** has a technology department that ensures security in terms of IT services. This department and a number of security partners ensure that IT services are provided correctly. It also has cybersecurity insurance. In 2023, it began implementing a system to measure customer satisfaction by means of quality surveys that will be logged by customer, service and the team/professional assigned to each customer. It records customer “cases”, customer and professional complaints and incidents in its CRM, and the steps taken to resolve them are then monitored. One complaint was received in the first quarter of 2023.

- Guaranteeing its consumers’ health and safety is of **paramount** importance to Facundo. For this reason, it has renewed its IFS (International Food Standard) certification, one of the strictest regulations in relation to food safety, installation quality and process optimisation in product preparation. It also has in place a Food Safety and Quality Policy. It has implemented a mandatory Hazard Analysis and Critical Control Point (HACCP) system, in line with the European Union's Regulation EC 852/2004. These policies and procedures ensure the food safety of its products and the health and safety of its consumers, customers and users.

  In its quest to offer excellent customer service and safeguard the health of its consumers, it has an allergens table for all of its products on its website and provides a contact telephone number.

  Consumers and other interested third parties can send complaints, comments and suggestions to the company's customer service department via its corporate website, by e-mail or telephone. The customer service department then forwards the communications to Management and the Quality Department. No distinction is drawn between different complaints and grievances. They are all treated in the same way. Facundo received a total of 56 complaints in the first quarter of 2023. All claims are assessed and receive a reply, and the data collected is used to improve internal processes.

  In addition, it organises visits to its factory, giving consumers the opportunity to see how the factory works and how its products are made, thereby strengthening the relationship between the brand and its customers.

10. EU Sustainable Finance Taxonomy

The EU Taxonomy reporting carried out by Alba and its Subsidiaries is driven by Regulation (EU) 2020/852, published by the European Parliament on 22 June 2020. This Regulation seeks to contribute to the decarbonisation of the European economic system by providing a reference framework for identifying environmentally sustainable economic activities. Substantial contribution to the six environmental objectives set out in article 9 of the Regulation will also be determined.

July 2021 saw the publication of Delegated Regulation (EU) 2021/2139, which set out to supplement Regulation (EU) 2020/852 and specify the Technical Selection Criteria (TSC) for the first two environmental objectives, namely climate change mitigation and climate change adaptation.

Additionally, Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council and amending Commission Delegated Regulation (EU) 2021/2178 further specifies the disclosures to be made in respect of the substantial contribution of activities to the sustainability objectives by establishing the TSC for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

Furthermore, Delegated Regulation (EU) 2022/1214, amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities, was published on 9 March 2022.

Undertakings that are subject to the obligation to disclose non-financial information under Law 11/2018 of 28 December 2018, which transposed Directive 2014/95/EU of the European Parliament and of the Council, are required to disclose the extent to which their activities are in line with the Taxonomy.

Delegated Regulation (EU) 2021/2178 of 6 July 2021, supplementing Regulation 2020/852, specifies the content and presentation of information to be disclosed by undertakings subject to the Non-Financial Reporting Directive (NFRD).

In this connection, the aforementioned requirements laid down in Delegated Regulation (EU) 2021/2178 are fulfilled in this section, based on the activity data for 2023. To continue with the taxonomy exercise carried out in the previous year, which concluded with the publication of the eligible financial indicators according to the activities referred to in Delegated Regulation (EU) 2021/2139, the activities identified as eligible according to the mitigation and adaptation criteria established in the Regulation have been reviewed. With regard to Delegated Regulation (EU) 2023/2486, the economic activity eligibility analysis has been performed in relation to the four sustainability objectives that are relevant for the purposes of this report.

10.1. Compliance with the EU Taxonomy

Alba is an investment company the purpose of which is to acquire long-term holdings in listed and unlisted companies operating in various economic sectors. Alba is majority owned by the shareholders of the March Group, one of Spain's leading private family-owned financial groups. Alba currently focuses its investments on listed and unlisted companies and real estate assets.

In accordance with the applicable regulations on the disclosure of non-financial information, the Company must disclose the proportion of eligible and non-eligible and aligned and non-aligned activities according to the EU Taxonomy, in addition to the KPIs associated with Revenues, CapEx and OpEx.

Eligible activities are those listed in Annexes I and II to Regulation 2021/2139 and in Annexes I, II, III and IV to Delegated Regulation 2023/2486, which will potentially contribute to the defined objectives by meeting the technical criteria established for the climate change mitigation and adaptation objectives. Non-eligible activities would therefore be those which do not comply with the relevant provisions and/or are not included in the list of Taxonomy-eligible activities defined in the legislation.

Aligned activities are those which are considered eligible and meet the criteria of substantial contribution (SCC) to one of the set objectives (mitigation or adaptation), which ensure that they do no significant harm to the other objectives (DNSH) and which are carried out in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (Minimum Social Safeguards). Non-aligned eligible activities are thus those which do not meet any of the requirements of the aforementioned alignment analysis phases (SCC, DNSH and Safeguards).

10.2. Analysis and calculation procedure

In order to calculate the indicators required by the EU Sustainable Finance Taxonomy, an eligibility analysis was conducted on the activities pursued by Alba in 2023 and by its Subsidiaries up to the first quarter of 2023.

The analysis was based on a description of the various activities carried out by the companies. Furthermore, in order to avoid double counting, the percentages allocated to just one activity were accounted for. The different indicators required by the relevant regulations were determined for each of them, including the calculation of the numerator and denominator for Alba’s Revenue, CapEx and OpEx figures at the end of 2023, and those of its Subsidiaries at the 31 March 2023 close.

- Revenues: the proportion of turnover referred to in article 8(2)(a) of Regulation (EU) 2020/852 was calculated as the proportion of net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities (numerator), divided by net turnover (denominator) as defined in article 2(5) of Directive 2013/34/EU.
- CapEx: this includes the calculation of the CapEx figure associated with activities classed as eligible following the analysis performed on Alba and its

Subsidiaries. The numerator shall include the part of the capital expenditure included in the denominator that:

a) is related to assets or processes that are associated with Taxonomy-aligned economic activities;

b) is part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned ("CapEx plan") under the conditions specified in the second subparagraph of this point 1.1.2.2 (relating to the "CapEx plan");

c) is related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, notably activities listed in sections 7.3 to 7.6 of Annex I to the CDA, as well as other economic activities listed in the delegated acts adopted pursuant to articles 10(3), 11(3), 12(2), 13(2), 14(2) and 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

The denominator of the CapEx indicator shall cover additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, for 2023 in the case of Alba and the first quarter of 2023 in the case of its Subsidiaries, excluding fair value changes.

- OpEx: this includes the calculation of the Taxonomy-eligible OpEx figure associated with the activities deemed eligible in the analysis. It is equal to the part of the operating expenditure included in the denominator that:

a) is related to assets or processes that are associated with Taxonomy-aligned economic activities;

b) is part of the CapEx plan to expand Taxonomy-aligned economic activities or allow Taxonomy-eligible economic activities to become Taxonomy-aligned as set out in the second paragraph of this point 1.1.2.2; and

c) is related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, notably activities listed in sections 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in the delegated acts adopted pursuant to articles 10(3), 11(3), 12(2), 13(2), 14(2) and 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

It includes direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. Since the information systems of Alba and its Subsidiaries (up to 31 March 2023) do not currently allow the specific data corresponding to the type of expenditure referred to in the regulations to be obtained, and in view of the nature of the activities carried out by these companies, this indicator was prepared on the basis of the "Other Operating Expenses" heading of the Consolidated Annual Accounts of Alba and its Subsidiaries.

Eligibility analysis

For the climate change mitigation and adaptation objectives, the eligible activities resulting from the eligible activities analysis study previously carried out by an independent third party for both Alba and the Subsidiaries covered in this report -the activities of which remained unchanged in 2023- were selected.

An eligibility study was carried out in respect of the other objectives set out in Regulation 2023/2486 for the preparation of this report. To determine the eligibility of the economic activities of Alba in 2023, and those of its Subsidiaries up to 31 March 2023, account was taken of whether they are described in the relevant Regulations. The NACE codes stated in the descriptions also served as a guideline without being a prerequisite.

Neither Alba nor its Subsidiaries (in the first quarter of 2023) carried out any eligible activities per the descriptions of the objectives provided for in Regulation 2023/2486.

Eligible activity alignment analysis

On identifying the eligible activities, the criteria set out in Annexes I and II to the Climate Delegated Regulation were then reviewed and analysed.

The technical interpretation of the activities identified as eligible, on which the alignment analysis was carried out, is detailed below:

- Activities that contribute to climate change mitigation:

Activity 7.7 Acquisition and ownership of buildings: The acquisition of real estate and exercise of the ownership rights over such assets carried out by Alba Patrimonio Inmobiliario, S.A. in respect of five buildings located in Madrid are considered here. All of these buildings were constructed prior to 31 December 2020. Thus, according to the TSC, in order to contribute substantially to the climate change mitigation objective, they should at least have a class A energy performance certificate or, alternatively, be among the 15% most energy efficient buildings in the national or regional building stock in terms of primary energy demand. Also, as large non-residential buildings, they need to be managed efficiently through energy efficiency monitoring and assessment.

The analysis performed at the 2023 close suggests that there is no energy performance certificate such as the one referred to in the TSC; nor are there any plans to control or assess the energy efficiency of the buildings considered. It is thus concluded that this activity could not be classed as aligned as it does not comply with the TSC. Likewise, for the purposes of complying with the DNSH criteria and, specifically, the climate change adaptation objective, no analysis has been conducted on physical climate risks or specific plans for adaptation to climate change in these buildings; although Alba has implemented a number of the mechanisms required by the Minimum Social Safeguards provided for in the Regulation, at corporate level.

In future years, work will be done to analyse the steps required in order to adapt to these criteria with a view to aligning the Company's business model with the requirements laid down in the Regulation, thus supporting the transition towards a more sustainable economy.

10.3. Results in 2023

The analysis shows that the Subsidiaries had no eligible activities during the first quarter of 2023, while 22.48% of Alba’s Revenues, 32.92% of its CapEx and 23.51% of its OpEx were Taxonomy-eligible. However, the analysis did not reveal any activities that were actually aligned with the Taxonomy.

The information contained in this report considers the methodology applied by Alba and its Subsidiaries, as well as the results obtained in the second exercise performed to comply with Sustainable Finance Taxonomy Regulation 2020/852. Nonetheless, changes in sectoral interpretations and positions, the development of new implementing guidelines and the publication of the remaining four environmental objectives could lead to amendments to, or the restatement of, the information set out in this analysis.

Moreover, the activities of Alba and its Subsidiaries are unrelated to nuclear energy and fossil gas for the purposes of Regulation 2022/1214.

The results of the analysis are detailed below:

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

2023	2023			Substantial contribution criteria						Do no significant harm criteria (DNSH)									
Economic activities (net revenues)	Code	Turnover	Proportion of turnover, 2023	Climate change mitigation	Climate change adaptation	Groundwater resources	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity	Minimum safeguards	Proportion of turnover that complies with the Taxonomy (A.1) or is from eligible activities under the Taxonomy (A.2), 2022	Category (enabling activity)	Category (transitional activity)
	CCM	€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM 7.7.	0.00	0.00%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	Y	0.00%		
Turnover from environmentally sustainable activities (Taxonomy- aligned) (A.1)		0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	Y	0.00%	-	-
Of which: enabling		0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	Y	0.00%		-
Of which: transitional		0.00	0.00%	0.00%	-	-	-	-	-	N	N	N	N	N	N	Y	0.00%	-	
A.2. Taxonomy-eligible activities but not environmentally sustainable (not taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	-	-	-	-	-	-	-	-	-	-
Acquisition and ownership of buildings	CCM7.7.	14,700,000.00	28.99%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	-	7.60%	-	-
Turnover from taxonomy-eligible activities but not environmentally sustainable (not taxonomy aligned) (A.2)		14,700,000.00	28.99%	28.99%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	8.20%	-	-
A. Turnover from sustainable activities under the Taxonomy (A.1 + A.2.)		**14,700,000.00**	**28.99%**	28.99%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	8.20%	-	-
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover from taxonomy-non-eligible activities		36,000,000.00	71.01%																
TOTAL turnover (A + B)		**50,700,000.00**	**100.0%**																

	Proportion of turnover / total turnover	
	that is taxonomy aligned by objective	taxonomy-eligible, by objective
CCM	**0.00%**	**28.99%**
CCA	**0.00%**	**0.00%**
WTR	**0.00%**	**0.00%**
CE	**0.00%**	**0.00%**
PPC	**0.00%**	**0.00%**
BIO	**0.00%**	**0.00%**

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

2023	2023			Substantial contribution criteria						Do no significant harm criteria (DNSH)									
Economic activities (Investment; CapEx)	Code	CapEx	Proportion of CapEx, 2023	Climate change mitigation	Climate change adaptation	Groundwater resources	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Groundwater resources	Circular economy	Pollution	Biodiversity	Minimum safeguards	Proportion of CapEx that complies with the Taxonomy (A.1) or is from eligible activities under the Taxonomy (A.2), 2022	Category (enabling activity)	Category (transitional activity)
	CCM	€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM 7.7.	0.00	0.00%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	Y	0.00%		
CapEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	Y	0.00%	-	-
Of which: enabling		0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	Y	0.00%		-
Of which: transitional		0.00	0.00%	0.00%	-	-	-	-	-	N	N	N	N	N	N	Y	0.00%	-	
A.2. Taxonomy-eligible activities but not environmentally sustainable (Not-taxonomy-aligned)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	-	-	-	-	-	-	-			
Acquisition and ownership of buildings	CCM 7.7.	2,700,000.00	49.08%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	-	2.60%	-	-
CapEx from taxonomy-eligible activities but not environmentally sustainable (Not taxonomy-aligned) (A.2)		2,700,000.00	49.08%	49.08%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	2.60%	-	-
A. CapEx from sustainable activities under the Taxonomy (A.1 + A.2.)		**2,700,000.00**	**49.08%**	49.08%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	2.60%	-	-
B. TAXONOMY-NON-ELIGIBLE ACTIVITY																			
CapEx from taxonomy-non-eligible activities		2,801,129.19	50.92%																
TOTAL (A + B)		**5,501,129.19**	**100.0%**																

	Proportion of CapEx/total CapEx	
	that is taxonomy-aligned by objective	taxonomy-eligible, by objective
CCM	**0.00%**	**49.08%**
CCA	**0.00%**	**0.00%**
WTR	**0.00%**	**0.00%**
EC	**0.00%**	**0.00%**
PPC	**0.00%**	**0.00%**
BIO	**0.00%**	**0.00%**

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

2023	2023			Substantial contribution criteria						Do no significant harm criteria (DNSH)									
Economic activities (Expenses; OpEx)	Code	OpEx	Proportion of OpEx, 2023	Climate change mitigation	Climate change adaptation	Groundwater resources	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Groundwater resources	Circular economy	Pollution	Biodiversity	Minimum safeguards	Proportion of OpEx that complies with the Taxonomy (A.1) or is from eligible activities under the Taxonomy (A.2), 2022	Category (enabling activity)	Category (transitional activity)
	CCM	€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM 7.7.	0.00	0.00%	N	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	Y	0.00%		
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	Y	0.00%	-	-
Of which: enabling		0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N	N	N	N	N	N	Y	0.00%		-
Of which: transitional		0.00	0.00%	0.00%	-	-	-	-	-	N	N	N	N	N	N	Y	0.00%	-	
A.2. Taxonomy-eligible activities but not environmentally sustainable (Not-taxonomy-aligned)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	-	-	-	-	-	-	-			
Acquisition and ownership of buildings	CCM 7.7.	693,967.07	30.73%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	-	0.60%		
OpEx from taxonomy-eligible activities but not environmentally sustainable (not taxonomy-aligned) (A.2)		693,967.07	30.73%	30.73%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	0.40%	-	-
A. OpEx from sustainable activities under the Taxonomy (A.1 + A.2.)		**693,967.07**	**30.73%**	30.73%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	0.40%	-	-
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx from Taxonomy-non-eligible activities		1,564,290.43	69.27%																
TOTAL (A + B)		**2,258,257.50**	**100.0%**																

	Proportion of OpEx/total OpEx	
	that is taxonomy-aligned by objective	taxonomy-eligible, by objective
CCM	**0.00%**	**30.73%**
CCA	**0.00%**	**0.00%**
WTR	**0.00%**	**0.00%**
EC	**0.00%**	**0.00%**
PPC	**0.00%**	**0.00%**
BIO	**0.00%**	**0.00%**

Column	Nuclear energy-related activities	
1.	The company conducts, finances or is exposed to research, development, demos and deployment of innovative electricity generation facilities that produce energy from nuclear processes with a minimal fuel cycle waste.	NO
2.	The company conducts, finances or is exposed to the construction and safe operation of new nuclear facilities to produce electricity or process heat, including for district heating or industrial process purposes, such as hydrogen production, as well as their safety upgrades, using the best available technologies.	NO
3.	The company conducts, finances or is exposed to the safe operation of existing nuclear facilities that produce electricity or process heat, including for district heating or industrial process purposes, such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas-related activities	
4.	The company conducts, finances or is exposed to the construction or operation of electricity generation facilities that produce electricity from gaseous fossil fuels.	NO
5.	The company conducts, finances or is exposed to the construction, renovation and operation of combined heat/cool and electricity generation facilities using gaseous fossil fuels.	NO
6.	The company conducts, finances or is exposed to the construction, renovation and operation of heat generation facilities that produce heat/cool using gaseous fossil fuels.	NO

Nuclear energy and fossil gas-related activities

6. Table of contents of the non-financial information statement

Content required under Law 11/2018 NFIS		Standard applied	Section of the report	Page of the report
	– Resources allocated to preventing environmental risks	GRI 3-3	7.1 Information regarding environmental issues - Policies	Page 31
	– Application of the precautionary principle	GRI 3-3	7.1 Information regarding environmental issues - Policies	Page 31
	– Provisions and guarantees for environmental risks	GRI 2-27	Note 1 of the consolidated annual accounts of Corporación Financiera Alba, S.A. and subsidiaries for 2023	
Pollution	– Measures adopted to prevent pollution	GRI 3-3	7.2.1 Energy and climate change	Page 33
Circular economy and waste prevention and management	– Prevention and waste management measures	GRI 3-3	7.2.2 Sustainable resource use and circular economy	Page 36
Sustainable use of resources	– Water consumption	GRI 303-5	7.2.2 Sustainable resource use and circular economy	Page 36
	– Raw materials used	GRI 301-1	7.2.2 Sustainable resource use and circular economy	Page 36
	– Direct and indirect consumption of energy – Measures taken to improve energy efficiency – Use of renewable energies.	GRI 3-3, GRI 302-1 , GRI 302-2 , GRI 302-4	7.2.1 Energy and climate change	Page 33
Climate change	– Greenhouse gas emissions (GHG)	GRI 305-1 GRI 305-2	7.2.1 Energy and climate change	Page 33
	– Measures to adapt to climate change	GRI 3-3	7.2.1 Energy and climate change	Page 33
	– Targets to reduce GHG emissions	GRI 3-3	7.2.1 Energy and climate change	Page 33
Protection of biodiversity	– Measures to preserve and restore biodiversity	GRI 3-3	Not material	
	– Impacts caused by activities	GRI 304-3	Not material	

Content required under Law 11/2018 NFIS		Standard applied	Section of the report	Page of the report
	Information on social and employee-related issues			
Policies	− Management approach	GRI 3-3	5. Non-financial policies applicable	Page 13
			6. Information on social and employee-related issues	Page 15
Risks	− List of material topics	GRI 3-2	4. Double materiality analysis	Page 10
			6. Information on social and employee-related issues	Page 15
Employment	− Total number and distribution of employees by gender, age, country and professional category	GRI 2-7, GRI 405-1	6.1.1. Distribution of employees by gender, age, country and professional category	Page 16
			6.4. Employees abroad	Page 24
	− Total number and distribution of types of employment contract.		6.1.2. Types of employment contract	Page 17
	− Average annual number of permanent, temporary and part-time contracts, by gender, age and professional category		6.1. Information on employees	Page 16
			6.1.3. Type of working day	Page 19
	− Number of dismissals by gender, age and professional category		6.1.4. Dismissals	Page 20
	− Average pay by gender, age and professional category or like value	GRI 405-2	6.2.1. Average remuneration of employees	Page 21
	− Pay gap		6.2.3. Pay gap	Page 24
	− Remuneration of like positions or average remuneration in the company		6.2.1. Average remuneration of employees	Page 21
	− Average remuneration of directors and management by gender.		6.2.1. Average remuneration of employees	Page 21

Content required under Law 11/2018 NFIS		**Standard applied**	**Section of the report**	**Page of the report**
			6.2.2. Average remuneration of the Board of Directors	Page 22
	– Measures to disconnect from work	GRI 3-3	6.5. Organisation of work	Page 25
	– Employees with disabilities	GRI 405-1	6.3. Employees with disabilities	Page 24
Organisation of work	– Organisation of working hours	GRI 3-3	6.5. Organisation of work	Page 25
	– Number of hours of absenteeism	GRI 403-9	6.5.1 Occupational absenteeism	Page 26
	– Measures adopted to facilitate the work-life balance	GRI 3-3	6.5. Organisation of work	Page 26
Health and safety	– Occupational health and safety conditions	GRI 3-3	6.6. Health and safety	Page 27
	– Accident indicators disaggregated by gender	GRI 403-9	6.6. Health and safety	Page 27
	– Occupational illnesses	GRI 403-10	6.6. Health and safety	Page 27
Social relations	– Organisation of social dialogue	GRI 3-3	6.7. Social relations	Page 28
	– Percentage of employees covered by a collective bargaining agreement	GRI 2-30	6.7. Social relations	Page 28
	– Assessment of collective bargaining agreements in the field of occupational health and safety	GRI 3-3	6.7. Social relations	Page 28
	– Mechanisms and procedures that the company has in place to promote the involvement of workers in its management, in terms of information, consultation and participation	GRI 3-3	6.7. Social relations	Page 28
Training	– Training policies	GRI 3-3	6.8. Training	Page 29
	– Total hours of training by professional category	GRI 404-1	6.8. Training	Page 29

Content required under Law 11/2018 NFIS		Standard applied	Section of the report	Page of the report
Accessibility	– Universal accessibility for people with disabilities	GRI 3-3	6.9. Accessibility and equality	Page 30
Equality	– Gender equality measures	GRI 3-3	5. Non-financial policies applicable	Page 13
			6.9. Accessibility and equality	Page 30
	– Equality plans		5. Non-financial policies applicable	Page 13
			6.9. Accessibility and equality	Page 30
	– Measures adopted to promote employment		6.9. Accessibility and equality	Page 30
	– Protocols to combat sexual and gender-based harassment		5. Non-financial policies applicable	Page 13
			6.9. Accessibility and equality	Page 30
	– Universal accessibility for people with disabilities		6.9. Accessibility and equality	Page 30
	– Policies against discrimination and diversity management	GRI 3-3	5. Non-financial policies applicable	Page 13
			6.9. Accessibility and equality	Page 30
	Information about respect for human rights			
Policies	– Management approach	GRI 3-3	8.1. Ethical behaviour and respect for human rights	Page 39
Risks	– Material topics	GRI 3-2	4. Alba's dual materiality analysis	Page 10
			8.1. Ethical behaviour and respect for human rights	Page 39
Human rights	– Implementation of due diligence procedures	GRI 2-23, GRI 2-26, GRI 406-1	8.1. Ethical behaviour and respect for human rights	Page 39
	– Measures to prevent and manage any potential abuses committed			
	– Reported human rights violations			

Content required under Law 11/2018 NFIS		Standard applied	Section of the report	Page of the report
	– Promotion of and compliance with ILO provisions			
Information about the fight against corruption and bribery				
Policies	– Management approach	GRI 3-3	8.2. Anti-corruption and anti-bribery management	Page 40
Risks	– Material topics	GRI 3-2	4. Alba's dual materiality analysis	Page 10
			8.2 Action to combat corruption and bribery	Page 40
Corruption and bribery	– Measures to prevent corruption and bribery	GRI 2-23, GRI 2-26	8.2 Action to combat corruption and bribery	Page 40
	– Measures to combat money laundering	GRI 2-23, GRI 2-26	8.2 Action to combat corruption and bribery	Page 40
	– Contributions to foundations and non-profit organisations	GRI 3-3	9.1. Alba's commitments to sustainable development	Page 41
Information about the company				
Policies	– Management approach	GRI 3-3	9.1. Alba's commitments to sustainable development	Page 41
Risks	– Material topics	GRI 3-2	4. Alba's dual materiality analysis	Page 10
			9.1. Alba's commitments to sustainable development	Page 41
Company commitments to sustainable development	– Impact of the company's activity on employment and local development	GRI 2-6, GRI 3-3	9.1. Alba's commitments to sustainable development	Page 41
	– Impact of the company's activity on local populations and the local area			Page 41
	– Relationships with local communities	GRI 2-29	9.1. Alba's commitments to sustainable development	Page 41
	– Association and sponsorship actions	GRI 2-28	9.1. Alba's commitments to sustainable development	Page 41

Content required under Law 11/2018 NFIS		**Standard applied**	**Section of the report**	**Page of the report**
Subcontractors and suppliers	– Inclusion of ESG issues in the purchasing policy	GRI 3-3, GRI 308-1, GRI 414-1	9.2. Subcontractors and suppliers	Page 44
	– Attention given to social and environmental responsibility in relations with suppliers and subcontractors		9.2. Subcontractors and suppliers	Page 44
	– Oversight and audit systems and results thereof		9.2. Subcontractors and suppliers	Page 44
Consumers	– Consumer health and safety measures	GRI 3-3	9.3 Consumers	Page 45
	– System for managing complaints and grievances received	GRI 3-3	9.3 Consumers	Page 45
Tax information	– Profits obtained by country	GRI 207-4	Note 24 of the consolidated annual accounts of Corporación Financiera Alba, S.A. and subsidiaries for 2023	
	– Corporate income tax paid		Note 22 of the consolidated annual accounts of Corporación Financiera Alba, S.A. and subsidiaries for 2023	
	– Government grants received	GRI 201-4	In 2023, Corporación Financiera Alba, S.A. and its subsidiaries did not receive any subsidies from the public authorities	
EU Taxonomy	– Key EU Taxonomy performance indicators for non-financial entities: % of revenue, CapEx and OpEx linked to Taxonomy Regulation eligible and aligned activities	N/A	10. EU Sustainable Finance Taxonomy	Page 48

REPORT ON ACTIONS OF THE AUDIT AND COMPLIANCE COMMITTEE FOR THE YEAR 2023

I. Introduction

This report on the functions and activities of the Audit and Compliance Committee of Corporación Financiera Alba, S.A. ("Corporación Financiera Alba" or the "Company"), from 1 January until 31 December 2023, has been drawn up in accordance with the recommendations on the corporate good governance of listed companies, and in particular those set out in the Good Governance Code of Listed Companies, approved by the National Securities Market Commission ("CNMV") on 18 February 2015 and partilly amended on 26 June 2020 (the "GGC") as well as Technical Guide 3/2017 of the CNMV, on Audit Committees of Public-Interest Entities (the "Technical Guide").

II. The Audit Commitee: origin, evolution and regulation

II.1. Origin and evolution

The Audit Committee was created by the Board of Directors on 29 March 2000, following the recommendations of the so-called "Olivencia Code". Since its incorporation, the regulation of this Committee has undergone various modifications in order to adapt it to new regulations, recommendations and best practices in corporate governance matters.

In this regard, special reference must be made to the Board of Directors' Regulations approved: (i) on 5 May 2015, which included the new provisions regarding the composition, organisation and functions of the Audit Committees established by Law 31/2014 of 3 December; (ii) on 3 May 2016, whereby the name of the Audit Committee was changed to Audit and Compliance Committee and the amendments to its composition and functions established by Law 22/2015 of 20 July on the Auditing of Accounts were included; and (iii) on 13 May 2021, whereby the functions of the Committee were extended to adapt it to Law 5/2021 of 12 April.

III. Regulation

The Audit Committee is governed by the provisions of article 47 of the Company Bylaws, articles 21 to 34 of the Board Regulations and, more specifically, by the Audit Committee Regulations, approved by the Board of Directors on 23 October 2017 and amended on 26 October 2020 and 13 May 2021, to adapt them to the Technical Guide and the amendment of the CBG, respectively, as well as by the provisions of the Capital Companies Act (*Ley de Sociedades de Capital*) ("LSC").

The current texts of the aforementioned internal regulations are available on the corporate website (www.corporacionalba.es).

IV. Functions of the Audit and Compliance Committee

In Article 3 of the Regulations of the Audit and Compliance Committee of Corporación Financiera Alba, SA, as well as in the Regulations of the Board, in its Article 22, following the provisions of the Article 529 quaterdecies of the LSC, the following functions are entrusted to the Audit and Compliance Committee, without prejudice to those others that may be assigned by the Board of Directors:

a) Report to the General Shareholders' Meeting as to any issues raised in connection with those matters that lie within the competency of the Committee, and in particular the results of the audit, explaining how this has contributed to the integrity of financial information, and the function that the Committee performed in this process.

b) Supervise the efficacy of internal control of the Company, internal auditing and risk management systems, and discuss with the accounts auditor any significant weaknesses in the internal control system that might be detected in the development of the audit, all the above without undermining its independence. To this end, and as applicable, they may submit recommendations or proposals to the governing body, and the corresponding period for the follow-up thereof.

c) Supervise and evaluate the process of preparation and presentation of the required financial and non-financial information, and present recommendations or proposals to the governing body in order to safeguard its integrity.

d) Refer to the Board of Directors proposals as to the selection, appointment, re-election and replacement of the accounts auditor, taking responsibility for the selection process in accordance with the provisions of Articles 16, subsections 2, 3 and 5, and 17.5 of Regulation (EU) No 537/2014, of 16 April 2014, in addition to the contractual conditions, and regularly receive information from it as to the audit plan and execution thereof, while also maintaining its independence in the performance of its functions.

e) Establish the appropriate relations with the external auditor to receive information on those issues that may pose a threat to their independence, for examination by the Committee, and any others related to the process of carrying out the audit of accounts, and, where appropriate, the authorisation of services other than those prohibited, under the terms set out in Articles 5, Section 4, and 6.2.b) of Regulation (EU) No. 537/2014, of 16 April, and as foreseen in Section 3 of Chapter IV of Title I of Law 22/2015, of 20 July, on the Auditing of Accounts, on the independence regime, as well as those other communications provided for in the account auditing legislation and in the auditing standards. It must in all cases each year receive from the external auditors the declaration of their independence with regard to the organisation or organisations directly or indirectly related to it, in addition to detailed and individual information on additional services of any class that are provided, and the corresponding fees received from said organisations by the external auditor or the persons or entities related to it, in accordance with the provisions of the regulations governing accounts auditing operations.

f) Issue each year, prior to the issuance of the accounts auditing report, a report stating an opinion as to whether the independence of the accounts auditor or auditing firms has been compromised. This report must in all cases contain the evaluation of the performance of each and every one of the additional services referred to in the above section, taken individually and as a whole, other than the legal audit, and with regard to the regime of independence or the regulations governing accounts auditing operations.

g) Report to the Board of Directors in advance as to all matters set out in Law, the corporate bylaws and the Board Regulation, and in particular with regard to:

   1. the management report and any financial information, and non-financial information where applicable, that the company would be required periodically to publish,

   2. the creation or acquisition of stakes in special-purpose vehicles or any domiciled in countries or territories classified as tax havens, and

   3. operations with related parties requiring approval by the General Meeting or the Board of Directors.

h) Supervise compliance with the rules of corporate governance, internal codes of conduct and the sustainability policy.

i) Supervise the application of the economic/financial and non-financial reporting policy, and the processes for relations and communication with shareholders, investors, proxy advisers and other stakeholders.

j) Supervise the internal procedure for those related-party operations the approval of which is delegated by the Board in accordance with the Law.

V. Composition

The Audit and Compliance Committee is an internal body of the Board composed of Directors of the Company appointed by the Board. In accordance with the provisions of the Capital Companies Act, the majority of the members of this Committee must be independent Directors and at least one of them shall be appointed taking into account their knowledge and experience in accounting and/or auditing. As a whole, the members of the Committee should have relevant expertise in relation to the sector of activity to which the Company belongs.

The Committee must be chaired by an independent director and, in accordance with the provisions of the Law and the Company Bylaws, the Chairman must be replaced every four years and may be re-elected after one year has elapsed since he ceased to hold office.

Pursuant to this provision, Ms Claudia Pickholz has been appointed Chairperson of the Audit and Compliance Committee by resolution of the Board of Directors on 19 June 2023, replacing Ms Ana María Plaza Arregui, who has served as Chairperson of the Audit and Compliance Committee for the last four years (from June 2019 to June 2023).

The composition of the Audit and Compliance Committee as at 31 December 2023 was as follows:

Name	Office	Category	Date of first appointment
Dª Claudia Pickholz	Chair	Independent	2016 (appointed as Chairperson 2023)
Dª Ana María Plaza Arregui	Member	Independent	2019
Dª María Eugenia Girón Dávila	Member	Independent	2018

During the financial year 2022, there have been no changes in the composition of the Committee.

Following the recommendations of the CNMV Technical Guide 3/2017, the experience and expertise of each of them is briefly highlighted:

- Ms. Pickholz has held management positions in large multinationals in various sectors with responsibility for marketing and strategy;
- Ms. Plaza has extensive experience in the world of auditing and financial management in companies in various fields, both national and international; and,
- Ms. Girón has extensive experience in business, strategy design, brand building, international growth and sustainable development.

In accordance with the recommendations of the Good Governance Code for Listed Companies, full information on the profile of all its Directors is available on the Company's corporate website (www.corporacionalba.es).

Consequently, as regards to its composition, the Audit and Compliance Committee of Corporación Financiera Alba has complied with legal requirements, as it is made up of three independent female directors, all of whom have the necessary knowledge and experience to perform their duties.

VI. Functioning and activity

VI.1. Functioning

The internal functioning of the Audit and Compliance Committee is governed by the provisions of article 47 of the Company Bylaws and by articles 29 to 34 of the Regulations of the Board and articles 12 to 18 of the Regulations of the Audit and Compliance Committee, which regulate all matters relating to its meetings, calls, quorum, adoption of resolutions, minutes, relations with the Board, with the Company's management and with the auditor and the internal auditor, and the powers to request information on any aspect of the Company and to seek the advice of external professionals.

VI.2. Meetings and attendance

During the 2023 financial year, the Audit and Compliance Committee held nine meetings, at which it worked, within the aforementioned functions, in the areas indicated below, and for which it had the necessary information and documentation:

a) Review of the periodic financial information for submission to the National Securities Market Commission (CNMV).
b) External audit of the annual accounts and relations with the External Auditors.
c) Review of non-financial information.
d) External verification of the non-financial information and relations with the External Verifiers.
e) Risk identification and internal control system.
f) Internal audit.
g) Compliance with the legal system and internal regulations and other aspects, including criminal prevention, related-party transactions and communications with regulators.

The meetings of the Audit and Compliance Committee were attended, at invitation of the Chairperson, by the Chief Financial Officer and the heads of risk, internal audit and regulatory compliance of the Company, in order to deal with the items on the agenda that were within their remit. In addition, during 2023, the following attended at the invitation of the Chairperson of the Committee:

Attendee	Number of meetings
External Auditor	4
Internal Auditor	3
External Verifier	2

VI.3. Activities

At the end of each financial year, the Audit and Compliance Committee approves its Programme of Activities for the following financial year in relation to the aforementioned areas and carries out the appropriate monitoring thereof.

The main activities carried out by the Audit and Compliance Committee during financial year 2023 are included below, encompassed in the different functions attributed to it, as well as, where applicable, a brief description of the bodies, procedures and internal regulations of the Company that support this Committee in the correct performance of its functions.

a) Review of the periodic financial information

- The Committee **has analysed, prior to their submission to the Board, the half-yearly financial information** sent to the CNMV and made public, as well as the supplementary information leaflets published, in accordance with the requirements established by Royal Decree 1362/2007, of 19 October (amended by Royal Decree 875/2015, of 2 October), and by CNMV Circular 3/2018, of 28 June. It has also reviewed the financial information relating to the first and third quarters of 2022, the publication of which is no longer mandatory following the elimination of article 120 of the Securities Market Law ("LMV").

  The Company's Chief Financial Officer, who is responsible for the preparation of the aforementioned information, has collaborated in this analysis in order to explain to the Committee the accounting process followed for its preparation and the decisions and criteria adopted.

- The Committee has analysed the annual accounts closed on 31 December 2023, prior to its formulation by the Board of Directors.

- Following recommendation 43 of the Technical Guide, the Committee has ensured that the financial information published on the entity's website is up to date and coincides with the information formulated by the Board of Directors and made public.

b) External audit of the annual accounts and relations with the External Auditors

- In the financial year 2023, the **External Auditors**:

  – Attended the meetings of the Committee where the financial **information corresponding to the close of the 2022 financial year and the annual accounts for said financial year were examined**. In said meetings, they reported on the audit work performed, the most significant issues raised and the criteria followed. These annual accounts were the subject of an unqualified report, with no significant risks being noted in the Company, and the internal control of the Company was considered adequate. The responsible persons within the Company assisted the external auditors in the performance of their duties.

- Submitted to the Committee the **limited review of the financial statements for the first half of 2023**.

- Explained the **planning** of the audit work for the financial year 2023.

- In accordance with the provisions of article 529 quaterdecies of the Capital Companies Act, the Committee received written confirmation from the External Auditors as to their **independence** vis-à-vis the entity or related entities and issued a report expressing its opinion on the independence of these External Auditors.

The Committee reported on the communication issued by Company's external auditor related to the services provided, other than statutory audit, which are pre-approved in accordance with the Policy for the Provision by the External Auditor of Non-Statutory Audit Services approved by the Committee on 15 September 2022.

c) Review of Non-Financial and Sustainability Information

The Audit and Compliance Committee is entrusted with the supervision of the Non-Financial and Sustainability Reporting and the Sustainability Policy.

Since 2016, the Company has been reporting on environmental, social and governance issues. Initially, this information was disclosed through the Sustainability Report, which was reported by the Audit and Compliance Committee prior to its approval by the Board of Directors and made available on the Company's corporate website when the General Meeting was called. In financial year 2019, the group complied for the first time with the requirements set out in Law 11/2018, formulating since then the Statement of Non-Financial Information provided for in this Law (which replaced the Sustainability Report presented in previous financial years).

During 2023:

- The Committee has analysed, prior to its submission to the Board, the Statement of Non-Financial Information for the financial year 2022, which includes, as provided for in Law 11/2018, significant information on: environmental issues; social and personnel issues; respect for human rights; the fight against corruption and bribery; and on the Company.

For its preparation, the Global Reporting Initiative ("GRI") Sustainability Reporting Guidelines, an internationally recognised standard, have been used as the reporting standard, following the principles and contents included in the most updated version of the guidelines ("Selected GRI Standards").

The context and regulations of the sectors in which the subgroups operate, sector trends and best practices have also been taken into account to determine which aspects are relevant for Alba. The main aspects considered to be relevant are: attracting and retaining talent; compliance and business ethics; diversity and equality; occupational health and safety; commitment to society; and energy efficiency and environmental management.

The Statement of Non-Financial Information includes the activities of the Alba Group and those of the Satlink, Nuadi and Preving subgroups (its subsidiaries). As a result of the exit of Artá Capital, S.A., SGEIIC, the 2023 Non-Financial Information Statement will only reflect information on these companies until 15 March 2023.

The Statement of Non-Financial Information, which forms part of the Directors' Report and is prepared by the Board of Directors, was approved by the General Meeting of Shareholders of the Company, as a separate item on the agenda, and is available on the corporate website.

- The Committee agreed with the election of the new External Verifier of the Company's Non-Financial Information Statement for the year 2023.

- The Committee has monitored the **Sustainability Policy**, approved by the Board of Directors on 12 November 2020 (replacing the Corporate Social Responsibility Policy, approved on 17 June 2019, which had replaced the one initially approved on 26 October 2015), and the information thereon, especially through the Statement of Non-Financial Information. It has also reported on the proposed modification of the aforementioned Sustainability Policy, which was approved by the Board of Directors on 27 November 2023.

d) Verification of the Non-Financial Information Statement and relations with External Verifiers

- In the 2023 financial year, the External Verifiers:

  – attended the Committee meeting at which the Non-Financial Information Statement for the year-end 2022 was examined, at which they reported on the verification work carried out, the most important issues raised and the criteria followed. The Non-Financial Information Statement was the subject of an unqualified report. The External

Auditors were assisted in the performance of their duties by the responsible persons within the Company.

– The new auditor explained the **planning of the audit work** for the year 2023.

e) Risk Identification and Internal Control System

The Audit and Compliance Committee is responsible for the risk identification and internal control system and assesses whether the Company has adequate organisation, personnel and processes to identify and control its main operational, financial, non-financial and legal risks, and is empowered to investigate any aspect of the risk identification and internal control system it deems appropriate. In this area, the Company has a set of **operating rules**[1] **that establish the internal control criteria**, a function entrusted to the Financial Department.

- During 2023, as customary, the Committee included in five of its nine meetings an agenda item dedicated to risk management and monitoring issues, in order to monitor them. On three occasions, the Committee had the intervention and report of those responsible for the different risks within the Company.

- The External Auditors issued the Additional Report in respect of the financial year 2022, in accordance with the provisions of Article 36 of Law 22/2015 of 20 July 2015 on the Audit of Accounts and Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements for the statutory audit of public interest entities (Regulation (EU) No. 537/2014), in which it was noted that they had not identified any deficiencies in internal control that had been assessed as significant, and which they had to report to the Company.

Control and Risk Management Unit

The Audit and Compliance Committee is responsible for supervising the effectiveness of the Company's internal control, internal audit and risk management systems, assessing whether the group has the appropriate organisation, personnel, policies and processes to identify and control its main risks and, in particular, operational, financial, non-financial and legal risks.

Since 2015, the Company has had a **Risk Control and Management Unit** as an advisory and control body at the service of the Audit Committee, independent

[1] These rules include, among other: cash investments, accounting and reporting, management of real estate and receivables, investments and divestments in subsidiaries, investments and divestments in real estate and investments and divestments in venture capital.

from the business, and aimed at ensuring the establishment of adequate control and efficient and prudent risk management. [2].

The Company has implemented an **Integrated Risk Management System** adapted to the nature and degree of complexity of its operations and the environment in which it operates, in order to mitigate the risks to which the group is subject. [3].

In relation to risk management processes, in addition to the aforementioned Risk Control and Management Unit and the Internal Audit Service, the Company has **regulatory compliance processes**, which will be referred to below.

During financial year 2023, and in relation to this matter:

- The **Company's Risk Map** approved by the Board of Directors on 9 May 2022 has been reviewed and no further update is considered necessary at this time. The next review will take place in 2024.

- Two **Business Risk Monitoring Reports** have been prepared and submitted to the Committee (corresponding to the second half of the year and the full financial year 2022 and the first half of 2023, respectively), in accordance with the approved Risk Management Methodology and Monitoring Model. These reports examine the aggregate risk situation and individual risk analysis (the most critical risks, according to the Risk Map). For their preparation, meetings are held with those responsible for the risks, the controls and indicators defined are checked, and the assessment subject to monitoring is reviewed and analysed. The conclusion of the reports was that the controls were effective (although some were not applied in the periods mentioned), and no weaknesses were identified in the risk management system implemented to identify and mitigate the critical risks to which the company is exposed in the course of its business.

- The tax risks that may affect the Company have been analysed, and no significant transactions were carried out during the year.

f) Internal Audit

In 2011, an Internal Audit Service was established as an instrument for the better development of the functions entrusted to the Board of Directors and the Audit Committee, in relation to the control and management of risks and the monitoring of internal information and control systems. The Company also has the support of an auditing firm for the development of the Internal Audit functions, with the General Secretary, under the supervision of the Committee, assuming the

[2] The Risk Management and Control Function Charter was approved by the Board of Directors on 26 October 2015 and, besides, a Risk Management Methodology and Monitoring Model has been adopted.
[3] This system is embodied in three key elements: (i) continuous risk management process; (ii) organisational approach to roles and responsibilities; and (iii) monitoring model.

coordination between these auditors and the Company. This contributes to the independence of this function, which, in 2023, continued to be carried out by Deloitte Advisory, S.L.

Internal Audit has a Statute for the Internal Audit Function approved by the Board (most recently, by resolution of 27 February 2017) and carries out its functions in accordance with the Activity Plan approved annually by the Audit and Compliance Committee.

In this area, and during financial year 2023:

- **Audits of some internal procedures** were carried out, in accordance with the Internal Audit Activity Plan submitted to the Audit and Compliance Committee, and no irregularities were found, and some recommendations were made in relation to the practices and procedures followed by the Company.

- The Committee has shown its conformity of the application of the Company's Internal Control over Financial Reporting System Manual ("ICFR") after examining the certifications issued by those responsible for it.

- The Committee has analysed and informed the Board of the results of the **internal audits and the monitoring of the ICFR** carried out.

g) Regulatory compliance and others

With regard to compliance with the applicable law and internal regulations, a more detailed description is given than in the previous points, since, in accordance with the provisions of both the Regulations of the Board of Directors and the Regulations of the Audit and Compliance Committee (articles 26.c) and 9.c), respectively), the Audit and Compliance Committee must prepare an annual report on the efficiency and compliance with the Company's rules and procedures of governance.

Internal Regulations

The funcions of this Committee include ensuring that an effective internal system is in place to monitor the Company's compliance with the laws and regulations governing its business, and that procedures are in place to ensure that management and employees comply with internal regulations. The meetings of the Committee are attended, when necessary and upon invitation by the Chairman, by the Chief Financial Officer, the head of regulatory compliance and the head of audit and internal control of the Company, who report on matters relating to this matter.

In order to ensure **compliance with the applicable law**, the Company has an appropriate organisation, in particular the existence of:

(i) a Legal Department, a Tax Department and a Finance Department which, each in its own area of competence, ensure that the regulations in force (external and internal) are respected;

(ii) a **Regulatory Compliance Unit**.

In addition, as mentioned above, the Company has an **Internal Audit Service** and a **Risk Control and Management Unit**, and has adopted a **Risk Management Methodology** and a **Crime Prevention and Monitoring Model**. In this regard, in 2016, a Regulatory Compliance function was formalised and implemented, and in terms of criminal prevention, since 2015 it has had a Crime Prevention Manual.

Within its corporate documentation, the Company currently has the following **Policies** provided for by various provisions or in good corporate governance recommendations: Corporate Governance Policy; Sustainability Policy; Communication Policy; Dividends Policy; Treasury Stock Policy; Investments Policy; Tax Policy; Board Remuneration Policy; Policy for Selection of Candidates for Director; Risk Management Policy; and Criminal Risk Prevention and Anti-Fraud Policy. These Policies are reviewed periodically in case they need to be amended. During 2023, the Committee has analysed the proposal of amendment of the Sustainability Policy, which was approved by the Board of Directors on 27 November 2023, with the aim of updating it and incorporating the best practices applicable in environmental, social and corporate governance (ESG) matters, but without making radical changes in matters such as principles, commitments and objectives, or in supervision and communication channels.

With regard to the existence of **internal procedures**, as mentioned, the Company has a several operating rules that establish the internal control criteria, as well as **the Company's Internal Control over Financial Reporting System Manual**, **Risk Management Methodology** and the **Monitoring and Crime Prevention Model**.

A new Code of Ethics and Conduct was approved in 2018, which has been amended several times, most recently by resolution of the Board of Directors on 23 October 2023, with the main purpose of incorporating certain provisions of Law 2/2023 of 20 February, regulating the protection of persons who report regulatory infringements and the fight against corruption (Law 2/2023), although it is not necessary to establish an "internal information system" as contemplated in the aforementioned Law, as the Company is not obliged to do so, as it does not have more than fifty employees.

On the other hand, the Company has an **Internal Code of Conduct in the Sphere of the Securities Market** adapted to the regulations on market abuse, which was last amended by resolution of the Board of Directors on 29 November

2021, in order to eliminate the blocking periods relating to quarterly information, which ceased to be compulsory following the suppression of article 120 of the Securities Market Act, by Act 5/2021 of 12 April.

During 2023, and in relation to internal regulations, the Audit Committee:

- Has regularly monitored the Sustainability Policy, the Communication Policy and the Tax Policy. The Committee also periodically reviews these policies in order to make the necessary proposals for updating them in accordance with applicable law and good corporate governance recommendations.

- It has reported on the proposals for the amendment of the Sustainability Report and the Code of Ethics and Conduct, that have been approved by the Board of Directors.

- Has analysed the Investment Policy, in the light of the modification of the Sustainability Policy, and does not consider it necessary to revise it for the time being.

- The Code of Ethics and Conduct has been monitored and the **Whistleblowing Channel** has been reported on, with no whistleblowing occurring in 2023.

Regulatory Compliance

Since 2016, the Company has had a **Regulatory Compliance Function** in place, within the General Secretary's Office, in order to coordinate, systematise and monitor the various actions and efforts it has been carrying out in this area, with the collaboration of external advisors for the implementation and monitoring. In 2018, the Board of Directors of the Company approved, with the favourable report of the Audit and Compliance Committee, the **Statute of the Regulatory Compliance Function**, entrusting the Secretary of the Board of Directors with the Management of the Regulatory Compliance Unit, which reports to the Audit and Compliance Committee and currently has the external collaboration of Deloitte Advisory, S.L.

The objective of this function is to provide reasonable assurance that Alba complies with its key legal and regulatory requirements, to which end: (i) the main legislative and regulatory obligations with which the Company must comply have been identified; (ii) a compliance model has been designed (with activities and tasks to be performed, dates and persons responsible); and (iii) a model has been established for monitoring and tracking compliance activities, with early warnings and half-yearly reviews, in order to avoid potential non-compliance.

- During 2023, the **Regulatory Compliance monitoring reports** were prepared in relation with the second half of the year and the full year 2022, and for the first half of 2023, in which the requirements identified are verified, those that have been met, those that have not been applied and, if applicable, the opportunities for improvement are indicated. In the report for the first half of 2023, 100% effectiveness has been verified for all applicable controls, with no favourable controls with recommendations or unfavourable controls detected.

Criminal Prevention

As a consequence of the regulation of the criminal liability of legal persons, the Company approved a **Crime Prevention Manual** (26 October 2015) which was updated in the financial year 2020 in order to adjust it to the current situation of the governance model of the entity and the policies associated with it and to align it with the best market practices.

- In 2023, the effectiveness of the **Crime Prevention Model was monitored** and two reports were issued, one referring to the full financial year 2022 and the other referring to the first half of 2023, resulting in a general situation of compliance with the risks analysed, with no favourable controls with recommendations or unfavourable controls having been detected. The Audit and Compliance Committee has considered the monitoring carried out to be adequate.

Related-party transactions

Within this area of compliance, reference should also be made to the review of transactions with directors, significant shareholders or their representatives, or with persons related to them, or with investee companies ("related-party transactions"). In financial year 2022:

- The Committee has reported favourably on two related-party transactions, as they met the necessary conditions to do so.

- The Committee has approved and made public on the Company's corporate website a report on the aforementioned related party transactions of the previous year[4].

Others

- The Committee also **examined the draft Annual Corporate Governance Report for 2022** - subsequently approved by the Board of Directors - and the **Monitoring reports prepared by the supervisory bodies on the Internal Code of Conduct**, the **Code of Ethics and Conduct**, and the **Crime Prevention Manual**, on the actions carried out in compliance therewith during 2022.

[4] Recommendation 6 of the Good Governance Code of Listed Companies.

- The Committee has examined the **Company's tax situation**, with reference to its tax obligations, in general, the most relevant aspects in relation to Corporate Income Tax, and compliance with the various reporting obligations. In 2020, the Company adhered to the Code of Good Tax Practices promoted by the Large Companies Fund (20 July 2010).

- With regard to **communications with the CNMV**, which include communications of financial information, privileged information and other relevant information and other requests for information, all appropriate communications were made during the year.

- The Audit Committee has monitored the **operation and content of the website**. In addition, during financial year 2023 and the Committee has continued to monitor the situation of the Information Technology area.

Assessment of external audit, internal audit and the Audit and Compliance Committee

In financial year 2023, and following Recommendations 71, 58 and 76 of the Technical Guide, respectively:

- The Committee **evaluated the external auditor** on the basis of its presentations to the Committee and the various reports issued, considering that during financial year 2022 the external auditor performed its duties satisfactorily, complying with the Plan established for the year, with no incidents having occurred and contributing through its work to the integrity of the Company's financial information.

- The Committee **evaluated the internal audit area** of the Company and, in view of the presentations made and the Annual Report of the Internal Audit Service, considered that during financial year 2022 the Internal Audit Service had performed its function satisfactorily, fulfilling the objectives of the Plan established for the year and without any incidents having occurred. The Internal Audit Manager was also considered to have performed his role adequately.

- The Committee self-assessed its performance in 2022, as part of the annual evaluation of the Board (contained in the Board Evaluation Questionnaire and the Board Evaluation Report). In the Board Evaluation questionnaire, all Directors provided feedback on the performance of this Committee, informing the Board of the aspects evaluated and the outcome of the evaluation. The evaluation of the Audit and Compliance Committee has not led to changes in the internal organisation and procedures of the Company.

VII. Conclusions

In view of the foregoing, the Audit and Compliance Committee considers that the Company has an adequate organisation and a sufficient regulatory framework to ensure satisfactory compliance with regulations, and that effective compliance by the Company with the external and internal regulations applicable thereto, as well as with the provisions and recommendations on good corporate governance, is satisfactory.

It also considers that the Company has adequate mechanisms in place to enable the Audit and Compliance Committee to properly perform the duties assigned to it by law and in the internal regulations of the Company in relation to periodic financial reporting, external audit, internal audit, non-financial reporting and risk identification and internal control systems, and that the Company's compliance in relation to these matters is satisfactory.

Madrid, 21 February 2024

ISSUER IDENTIFICATION DETAILS

Year-end date: 31/12/2023

TAX ID (CIF): A-28060903

Company Name:

CORPORACION FINANCIERA ALBA, S.A.

Registered Office:

CASTELLO, 77, 5ª PLANTA MADRID

A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR

A.1.1 Explain the current director remuneration policy applicable to the year in progress. To the extent that it is relevant, certain information may be included in relation to the remuneration policy approved by the General Shareholders' Meeting, provided that these references are clear, specific and concrete.

Such specific determinations for the current year as the board may have made in accordance with the contracts signed with the executive directors and with the remuneration policy approved by the General Shareholders' Meeting must be described, as regards directors' remuneration both in their capacity as such and for executive functions carried out.

In any case, the following aspects must be reported, as a minimum:

a) Description of the procedures and company bodies involved in determining, approving and applying the remuneration policy and its terms and conditions.

b) Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.

c) Information on whether any external advisors took part in this process and, if so, their identity.

d) Procedures set forth in the current remuneration policy for directors in order to apply temporary exceptions to the policy, conditions under which those exceptions can be used and components that may be subject to exceptions according to the policy.

The current Remuneration Policy was approved by the General Meeting of 20 June 2022, and the General Meeting of 19 June 2023 approved to update the remuneration of the members of the Audit and Compliance Committee and Appointments and Remuneration Committee, taking into consideration comparable companies.

In accordance with that outlined in articles 529r and concordant provisions of the Corporate Enterprises Act, for the calculation and approval of the Remuneration Policy of the Board of Directors of the Company, the Appointments and Remuneration Committee approves the corresponding report on the Remuneration Policy and submits the Proposed Remuneration Policy to the Board of Directors, which is submitted for approval to the General Shareholders' Meeting. It is the responsibility of the Appointments and Remuneration Committee, as provided for in its Rules and Regulations, to verify the compliance with the Remuneration Policy.

In relation to the members of the Board of Directors in their position of such, the Remuneration Policy calculates their remuneration within the system put forth by statutory regulations and includes the maximum amount of annual remuneration to satisfy the group of them in their capacity of Directors.

There are currently no Directors who perform executive functions (Executive Directors). The Remuneration Policy establishes the amount of annual fixed remuneration, the parameters for setting the variable components and the main terms and conditions of their contracts, if they are appointed. Any remuneration received by the Directors for the exercise or termination of their position and for the performance of executive functions must be consistent with the applicable Remuneration Policy at each time, except for remunerations expressly approved by the General Shareholders' Meeting.

The principles underpinning the Remuneration Policy are:
- Balance and moderation.
- Alignment with best market practice.
- Generally monitoring the recommendations on good corporate governance relating to the remuneration of the Directors.
- Compatibility with (i) adequate and effective risk management, not providing incentives to take risks that are based on the level of risk tolerated, and (ii) the Group's long-term business strategy, goals, values and interests, avoiding potential conflicts of interest.
- Being subject to the decisions taken by the General Shareholders' Meeting.
- Non-discrimination, recognising equal pay for services of equal value.

The Remunerations Policy distinguishes the remuneration of the Directors in their capacity as such and the remuneration of the Directors for their performance of executive functions.

The remuneration of Directors as such is based on the following principles:
- Sufficiency to compensate for their dedication, skill and responsibility, but without this being so high as to compromise their independence.
- Relationship with the effective dedication.
- Connection with the responsibility and the development of their functions by the various Directors.
- Absence of variable components.
- Incentive by nature, but in measures that do not affect their independence.
- To take into account, as reference, market criteria, focusing on the remuneration foreseen for Directors of listed companies with which a comparison can be established.
The remuneration of executive directors, if appointed, it is based on the following principles:
- To reward the performance of their functions with a comprehensive offer of cash and non-cash elements that meet the variety of needs and expectations in a professional environment, and that serve as a tool for the communication of organizational and business objectives.
- To align performance with the objectives of the group at different timelines, encouraging the sustainability of results.
- To recognise the capacity for creating value, as well as personal abilities and characteristics.
- To promote a culture of commitment of the group's objectives, taking into account that it is essential to have the contribution of both the individual and the team.
- To evaluate professional development and the results of activities using standardised criteria.
- To provide equitable and competitive remuneration, bearing in mind the responsibilities of the position and a flexible approach to the market, in order to attract and retain the best professionals.
-Variable remuneration may comprise two components: one with an annual vesting period and one with a multi-year vesting period.
- To review the systems and remuneration updates so that, the necessary adjustments can be introduced, where appropriate, addressing the results and the capacity for motivation.

In 2023, no external advisor assisted in the updating of the Remuneration Policy, but a comparison was made with remunerations of directors of other listed companies, leading to the updating of the remuneration indicated above.

The Remuneration Policy provides for the possibility of the Board approving temporary exceptions to applying the Policy for executive Directors, subject to a report from the Appointments and Remuneration Committee, which may be assisted by an external expert. Temporary exceptions to the Remuneration Policy are limited to exceptional situations where the non-application of the Remuneration Policy is necessary to serve the long-term interests and sustainability of the Company as a whole, or to ensure its viability. The remuneration components that may be exempted are those foreseen for Executive Directors. The maximum period of application will be 24 months. There are no Executive Directors and therefore no temporary exceptions are foreseen in 2024.

A.1.2 Relative importance of variable remuneration items vis-à-vis fixed remuneration (remuneration mix) and the criteria and objectives taken into consideration in their determination and to ensure an appropriate balance between the fixed and variable components of the remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and to align it with the long-term objectives, values and interests of the company, which will include, as the case may be, mention of the measures taken to ensure that the long-term results of the company are taken into account in the remuneration policy, the measures adopted in relation to those categories of personnel whose professional activities have a material impact on the risk profile of the company and measures in place to avoid conflicts of interest.

Furthermore, indicate whether the company has established any period for the accrual or vesting of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or delivery of accrued and vested financial instruments, or whether any clause has been agreed reducing the deferred remuneration not yet vested or obliging the director to return remuneration received, when such remuneration has been based on figures that have since been clearly shown to be inaccurate.

In 2023 there were no Executive Directors, the only ones for whom variable remuneration is provided for, so there is no information that can be provided regarding the relative importance of variable remuneration compared to fixed remuneration.

The Remuneration Policy anticipates that the remuneration of the Directors must save a reasonable proportion with the importance of the Company, the financial position it has at any time and the comparable business market standards, to be driven by promoting the long-term profitability and sustainability of the company, incorporating the necessary precautions to prevent excessive risk taking and unfavourable results.

Fees for Directors in their capacity as such, as well as those established for their participation in the committees of the Board, are established in moderate amounts, especially if compared with those established for other listed companies.

Executive Directors, if appointed during the term of the current Remuneration Policy, may be beneficiaries of annual and multi-year variable remuneration plans, through the award of share options and/or delivery of shares. Once these plans have been approved by the

General Meeting, the Board of Directors shall, at the recommendation of the Appointments and Remuneration Committee, establish the criteria for the award of variable remuneration, indicating the financial and non-financial performance criteria, the methods to be applied to determine to what extent the criteria will have been met and how the variable remuneration contributes to the corporate strategy and to the long-term interests and sustainability of the company.

To reduce exposure to excessive risks, the Board of Directors has agreed that investment and divestiture decisions are taken collectively, by the Board of Directors itself, if they exceed the two hundred million euros, or by the Investment Committee, when operations exceed the limits set by the Managing directors, who will make these decisions jointly only for amounts under twenty-five or ten million euros, depending on the investment concerned.

Thus, no Executive Director can take decisions that may involve a risk to the Company. There are no plans for there to be any Executive Board Members in 2024.

In order to address the company's long-term performance, the annual variable remuneration system follows an annual accrual basis, with remuneration paid in two tranches, a first payment at the beginning of the year following the year in which targets are measured, and a second payment over a period of between five and eight years. The deferred portion is linked to the performance of the Company's net asset value per share during the deferral period.

In the case of multi-year variable remuneration, the agreement establishing the multi-year variable remuneration plan shall set out the specific duration of the plan.

The current Remuneration Policy establishes a clawback clause for variable remuneration paid within the three years following the date on which the Company paid the variable remuneration, in the event of exceptional circumstances occurring that could affect the Company's results or derive from inappropriate conduct. Exceptional circumstances are considered to be, and the Company shall be entitled to claim the return of the corresponding components of the variable remuneration from the Director, by way of example, (i) that the variable remuneration is paid on the basis of data whose inaccuracy is accredited after the time it is paid (for example, on the basis of any qualifications included in the external auditor's report that reduce the results), (ii) that the Director has acted fraudulently, or (iii) that the Director has caused serious harm to the Company through fault or gross negligence.

A.1.3 Amount and nature of fixed components that are due to be accrued during the year by directors in their capacity as such.

According to the Remuneration Policy in force, the remuneration of the Directors acting as such is as follows:

- The remuneration of all members of members of the Board of Directors in their capacity as such is 100,000 euros per year. Similarly, the following additional remuneration is established.

For the Chairman, 550,000 euros per year.
For the Vice-Chairpersons, 450,000 euros per year.
For the members of the Audit and Compliance Committee, 30,000 euros per year and for its Chairman, 40,000 euros per year.
For the members of the Appointments and Remuneration Committee, 20,000 euros per year and for its Chairman, 30,000 euros per year.
For the members of the Investment Committee, 30,000 euros per year and for its Chairman, 50,000 euros per year.

There is an additional remuneration of 15,000 euros per year with the same accrual system as the annual remuneration, for the participation in any Committee other than those mentioned above, that may be established.

The amounts indicated are fixed, not depending on the number of meetings held throughout the year. In the event that any membership of the Board of Directors does not extend throughout the year, the amounts will be prorated by quarters.

The annual amount of the fixed remuneration expected to be accrued for the Directors in their capacity as such for 2024 is 2,870,000 euros.

A.1.4 Amount and nature of fixed components that are due to be accrued during the year for the performance of senior management functions of executive directors.

During this financial year, there are no executive Board Members sat on the Board of Directors, nor is it expected to appoint any during the year, therefore, no amounts will be paid under this heading.

A.1.5 Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favour of the director.

During this financial year, there are no executive Board Members sat on the Board of Directors, nor is it expected to appoint any during the year, therefore, no remuneration in kind will be accrued given that the Remuneration Policy only provides such for Executive Board Members.

A.1.6 Amount and nature of variable components, differentiating between those established in the short and long terms.

Financial and non-financial, including social, environmental and climate change parameters selected to determine variable remuneration for the current year, explaining the extent to which these parameters are related to performance, both of the director and of the company, and to its risk profile, and the methodology, necessary period and techniques envisaged to be able to determine the effective degree of compliance, at the end of the year, with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

Indicate the range, in monetary terms, of the different variable components according to the degree of fulfilment of the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

In the current financial year, the Company does not have any executive directors on its Board, and there are no plans to appoint any during the year.

However, the Remuneration Policy does provide that in the event that executive Directors are appointed, they may be beneficiaries of two types of variable remuneration at the Company's discretion:

1) Annual variable remuneration.
This is a variable remuneration which will take into account parameters linked to the performance of the net asset value, total shareholder return and/or value creation (which could include, by way of example, the execution of the international strategy, the monitoring of existing investments, the analysis and execution of investments and divestments, and corporate governance). The annual variable remuneration for each executive Director will represent a maximum of up to 100% of their annual fixed remuneration, and will depend on the degree of the executive Director's contribution to the achievement of the objectives.
In accordance with the Remuneration Policy of the Board, the maximum amount of the Variable Remuneration for all the Directors discharging executive functions is 3,000,000 euros. If the number of executive directors exceeds three, the limit would be increased proportionally.

There are no plans to appoint executive directors in 2024 and therefore there will be no annual variable remuneration for executive directors.

Non-financial parameters are taken into account in the annual variable remuneration, considering that corporate governance, environmental and social issues are set out in Alba's Corporate Governance, Sustainability and Investment Policies, and in the Code of Ethics and Conduct, as guiding principles for its activities.

Given the characteristics of the annual variable remuneration, and the manner in which investment and divestment decisions are taken in the Company, as detailed in section A.1.2 above, it cannot be said that an executive Director has a certain risk profile or generates a particular risk.

2) Multi-year variable remuneration.

The multi-year variable remuneration shall refer to the difference between the "initial" ("initial NAV") and "final" ("final NAV") net asset value per share of the Company, where: the "initial NAV" of each share shall be the average net asset value per share of Corporación Financiera Alba, S.A. during a number of trading sessions prior to the "initial day" of the plan, which shall be the day that is fixed in the plan implementation agreement; and the "final NAV" shall be the average net asset value per share of Corporación Financiera Alba, S.A. during a number of trading sessions prior to the "final day" of the plan, which shall be the day on which the number of years established in the plan elapses since the "initial day" of the plan. Such plans may be realised, if the Company so chooses, by way of cash payments, the granting of stock options and/or shares.

At present, the multi-year variable remuneration plan in force that affect Directors (2021, adopted in accordance with the Remuneration Policy prior to the one currently in force) are expected to be settled in cash, although, at the Company's discretion, they may be settled by payment in shares valued at the closing price on the day prior to the day on which they are transferred to the Directors. The mentioned plan is the only one in force applicable to Directors.

The multi-year variable remuneration does not take into account non-financial parameters.

Given the characteristics of the multi-year variable remuneration systems, and how investment and divestment decisions at the Company are made, it cannot be said that Executive Directors have a certain risk profile or that they generate a particular risk.

In the multi-year variable remuneration plan referred to in detail in Section B.7 of this Report, the monetary range for the 2021 Plan will be between 0 and 2,010,500 euros

Taking into account the evolution of the Company's NAV, as at the date of this report, it is forecast that in 2024 there will be an accrual of the multi-year variable remuneration corresponding to the 2021 plan, described in Section B.7.

Variable remuneration clawback agreement. The Board's Remuneration Policy provides for the possible recovery of variable remuneration paid in the event of exceptional circumstances that could affect the Company's performance or arising from inappropriate behaviour.

The following are considered exceptional circumstances, for example: (i) if the variable remuneration is paid on the basis of information that is proven to be inaccurate after the variable remuneration has been paid, (ii) if the Director has acted fraudulently, or (iii) if the Director has caused serious harm to the Company through fault or gross negligence. In these cases, the Company will have the right to reclaim the reimbursement of the relevant components of the variable remuneration from the Director discharging executive functions (the claim may be presented within a period of three years counted from the moment that the Company paid the variable remuneration object of the claim).

A.1.7 Main characteristics of long-term savings schemes. Among other information, indicate the contingencies covered by the scheme, whether it is a defined contribution or a defined benefit scheme, the annual contribution that has to be made to defined contribution schemes, the benefits to which directors are entitled in the case of defined benefit schemes, the vesting conditions of the economic rights of directors and their compatibility with any other type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director.

Indicate whether the accrual or vesting of any of the long-term savings plans is linked to the attainment of certain objectives or parameters relating to the director's short- or long-term performance.

The Remuneration Policy provides that in the event that executive directors are appointed, an alternative defined contribution pension scheme will be established, the terms of which have not yet been determined.

In the current financial year, there are no Executive Board Members sitting on the Board of Directors who may be granted a pension scheme.

The maximum amount of contributions by the Company to the alternative defined contribution pension scheme to be defined would be 1,500,000 euros per annum. If the number of executive directors exceeds three, the limit would be increased proportionally.

Accrual or receipt of benefits is not linked to the achievement of certain short or long-term objectives or parameters by the Director. As there are no Executive Board Members during the current financial year, no contributions will be paid out by the Company.

A.1.8 Any type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director, whether at the company's or the director's initiative, as well as any type of agreement reached, such as exclusivity, post-contractual non- competition, minimum contract term or loyalty, that entitles the director to any kind of remuneration.

With respect to the basic conditions of the contracts of Directors who, where applicable, perform executive functions in the Company, the Remuneration Policy establishes the following clauses relating to indemnities or golden parachutes in the event of early termination or termination of the contractual relationship between the Company and the Director:

- If, upon ceasing to perform the executive functions assigned under contract, the Director takes on other functions that are also executive ones, the remuneration agreed upon in his contract shall be maintained, unless some other arrangement is mutually agreed on.

- If, upon termination of the Director's executive duties, there is no prior employment relationship that would resume, the Director shall be entitled to indemnification equal to the amount of one year's Fixed Remuneration, increased by one twelfth of such yearly amount for each year of service with the Group, up to a limit of two years' total annual remuneration, less the amount of the fund set up as pension supplement, which shall correspond to him in full in any case.

- If, upon the Director's termination of his executive duties, a previous employment relationship resumes and it is also decided to terminate such employment relationship, the indemnification payable in the event of termination of the relationship by the Company shall be in accordance with labour legislation, but shall not be less than the amount of the fund set up as a pension supplement, or the amount of one year's Fixed Remuneration received as Director, increased by one twelfth of such yearly amount for each year of service with the Group, whichever is greater.

- The indemnity will not be paid until the Company has been able to verify that the Director has met the performance criteria that may be established.

In addition, the following exclusivity covenants are established: The provision of services is based on the exclusive dedication of the Executive director, who may not provide services to any other entity, even if his activity is not concurrent with that of the company, unless he has the Company's prior consent. In the event that the exercise of other activities is authorised and these are paid, the amount of such remuneration may be deducted from the Director's remuneration, if the Company so decides when granting authorisation.

Post-contractual non-competition and permanence agreements may be entered into, the amount of which, together with severance pay and accrued pension rights, may not exceed two years' total annual remuneration. This limit shall not apply in the event of early termination, at the discretion of the Company, of the employment relationship between the Company and the Director who has resigned from his executive duties, in respect of the part of the severance payment that complies with the provisions of labour legislation.

As there are no Executive Board Members during the current financial year, and their appointment is not foreseen, the above provisions will not be applied.

A.1.9 Indicate the conditions that contracts of executive directors performing senior management functions must contain. Among other things, provide information about the duration, the limits on amounts of compensation, the permanence clauses, periods of notice, as well as the payment as a substitute for the said period of notice, and any other provisions relating to contracting premiums, as well as compensation or protective payments for early termination or cancellation of the contractual relationship between the company and the executive director. Include, among other things, the pacts or agreements of non-concurrence, exclusivity, permanence or loyalty and post-contractual non-competition, unless they have been stated in the previous section.

The basic terms and conditions of the contracts of directors who, where applicable, perform executive functions at Corporación Financiera Alba are as follows:

- Contract duration: indefinite.

- Notice periods: fifteen days.

- Remuneration:

•Fixed remuneration: This consists of a fixed annual monetary remuneration. Amounts received from the Company as a director in their capacity as such or for any position or function in other companies or subsidiary, investee or related entities shall also be counted as fixed remuneration, the amount of which shall be reduced by the amount paid directly by the Company.

•Variable remuneration: Annual and multi-year variable remuneration plans approved by the General Meeting may be established, and for which the Board of Directors, at the proposal of the Appointments and Remuneration Committee, shall establish the criteria for their award. Both systems make reference to section A.1.6 above.

•Remuneration in kind: The following coverage may be established for executive directors: life, accident and disability insurance; health insurance with coverage for the director, their spouse and children; and the use of a leased vehicle.

- Indemnification for early termination or termination of the contractual relationship between the company and the executive director: as explained in section A.1.8 of this report.

- Clawback agreement: as explained in section A.1.6 above.

- Benefits system applicable to Directors: as described in section A.1.7 of this report.

In the current financial year, the Board has no Executive Directors, nor are there any plans to appoint any, and therefore no remuneration will be paid in this respect.

A1.10. The nature and estimated amount of any other supplementary remuneration that will be accrued by directors in the current year in consideration for services rendered other than those inherent in their position.

N/A

A.1.11 Other items of remuneration such as any deriving from the company's granting the director advances, loans or guarantees or any other remuneration.

N/A

A1.12. The nature and estimated amount of any other planned supplementary remuneration to be accrued by directors in the current year that is not included in the foregoing sections, whether paid by the company or by another group company.

The Remuneration Policy provides that the Board of Directors, subject to a report from the Appointments and Remuneration Committee, may establish, for extraordinary reasons, a supplement for one or more of these Directors that may be paid on a one-time basis and may not exceed a total aggregate sum of 1,000,000 euros per annum.

This complement, which is intended to be a reward for the efforts and special dedication made by the executive Directors, may be established for the extraordinary achievements that have contributed to the Company's results, provided that an added value is generated for the shareholders or that a significant economic benefit or increase in equity is generated that reinforces the sustainability and long-term growth of the Company.

In the current financial year, the Board has no executive directors and therefore no remuneration will be accrued in this respect.

A.2. Explain any significant change in the remuneration policy applicable in the current year resulting from:

a) A new policy or an amendment to the policy already approved by the General Meeting.

b) Significant changes in the specific determinations established by the board for the current year regarding the remuneration policy in force with respect to those applied in the previous year.

c) Proposals that the Board of Directors has agreed to submit to the general shareholders' meeting to which this annual report will be submitted and for which it is proposed that they be applicable to the current year.

Given that the Board of Directors of the Company does not have any Directors assigned executive functions during this financial year, the updates to the fixed remuneration for this class of Director provided for in the current Remuneration Policy have not been applied.

The Board of Directors intends to submit the following proposals for remuneration before the General Shareholders' Meeting: (i) proposed approval of the Remuneration Report for 2023; (ii) proposed multi-year variable remuneration approval system referenced to the net asset value (NAV) for the year 2024 (similar to that agreed in previous years) for executives.

A.3. Identify the direct link to the document where the current company remuneration policy is posted, which must be available on the website of the company.

https://www.corporacionalba.es/en/corporate-governance/remuneration-of-the-board-of-directors/
https://www.corporacionalba.es/en/corporate-governance/corporate-policies/

A.4. Explain, taking into account the data provided in Section B.4, how account has been taken of the voting of shareholders at the General Shareholders' Meeting to which the annual report on remuneration for the previous year was submitted on a consultative basis.

The Annual Remuneration Report for the 2022 financial year was approved at the 2023 General Meeting with 99.95% of votes in favour, therefore no changes to the Company's Remuneration Policy would be deemed necessary, the update of which was also approved at the 2023 General Meeting with 99.94% of votes in favour.

B. OVERALL SUMMARY OF HOW REMUNERATION POLICY WAS APPLIED DURING THE YEAR LAST ENDED

B.1.1 Explain the process followed to apply the remuneration policy and determine the individual remuneration contained in Section C of this report. This information will include the role played by the Remuneration Committee, the decisions taken by the Board of Directors and, as the case may be, the identity and the role of the external advisors whose services have been used in the process to apply the remuneration policy in the year ended.

The Articles of Association refer to the remuneration of the members of the Board of Directors in their article 39.

In 2023, the Remuneration Policy approved at 2022 was updated regarding to the remuneration of the members of the Audit and Compliance Committee and Appointments and Remuneration Committee, taking into consideration comparable companies.

The Appointments and Remuneration Committee submitted the proposal to update the Remuneration Policy of the Board of Directors of Corporación Financiera Alba and issued the corresponding report on this proposal, which it submitted to the Board of Directors, which, in turn, submitted it to the General Meeting, which approved the update on 19 June 2023.

Furthermore, the Appointments and Remuneration Committee considered that the remuneration policy established by the Company in relation to the Board of Directors has been observed during the financial year 2023.

During financial year 2023 there were no executive directors, so the mainly remuneration paid to directors was for the directors in their capacity as such, consisting of the remuneration referred to in section A.1.3. of this report.

The Board of Directors submitted the proposal for the multi-year variable remuneration plan for executives, which was approved by the General Meeting of 19 June 2023, and implemented by the Board of Directors before the end of the 2023 financial year, as reported by the Appointments and Remuneration Committee. The Variable Remuneration Plans for 2021 and 2022 were also favourably reported on and, after approval by the General Shareholders' Meetings for these years, were implemented by the Board of Directors.

The Appointments and Remuneration Committee has approved this ARR for the 2023 financial year, which contains in its section C the remuneration actually received by the Directors in said financial year, which has been submitted to and approved by the Board, which will in turn submit it to the consultative vote of the General Meeting.

In 2023, the Company did not have external advisors for matters related to the application of the Remuneration Policy of the Board of Directors.

B.1.2 Explain any deviation from the procedure established for the application of the remuneration policy that has occurred during the year.

In 2023, there were no deviations from the procedure for the application of the Remuneration Policy during the financial year.

B.1.3 Indicate whether any temporary exception has been applied to the remuneration policy and, if so, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity believes that these exceptions have been necessary to serve the long-term interests and sustainability of the society as a whole or ensure its viability. Similarly, quantify the impact that the application of these exceptions has had on the remuneration of each director over the year.

In 2023 no temporary exceptions to the Remuneration Policy have been applied.

B.2. Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks, aligning it with the long-term objectives, values and interests of the company, including a reference to the measures adopted to ensure that the long-term results of the company have been taken into consideration in the remuneration accrued. Ensure that an appropriate balance has been attained between the fixed and variable components of the remuneration, the measures adopted in relation to those categories of personnel whose professional activities have a material effect on the company's risk profile and the measures in place to avoid any possible conflicts of interest.

In the 2023 financial year, the Company followed the principles of the Remuneration Policy, which have been set out in section A.1.1 of this Report.

The remuneration paid to the Directors in their capacity as such, both for membership of the Board and the various Committees, if compared to those of comparable companies, must be of moderate quality.

The multi-year variable remuneration agreed in previous years has been granted on the basis of the net asset value of the Company's shares, meaning that it has only been received if there has been a positive performance. The 2020 Plan that matured in 2023 had a positive result of €32.43/unit.

In addition, in connection with multi-year variable remuneration, this is not paid until three years have elapsed from the date the Board of Directors agrees to implement the variable remuneration system approved by the General Shareholders' Meeting, thereby verifying compliance at all times with the established conditions.

All stated circumstances ensure that the remuneration accrued are based on long-term results, which includes the Company's right to reclaim from a Director any variable remuneration received (clawback) based on the assumptions and during the period referred to in section A.1.2 of this report.

As indicated in the sections A.1.2 and A.1.6, of this report, the method of application of investment and divestiture decisions does not permit individuals whose activity could individually impact the Company's risk profile.

B.3. Explain how the remuneration accrued and consolidated over the financial year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term and sustainable performance.

Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, as the case may be, how the variations in the performance of the company have influenced changes in the remuneration of directors, including those accrued whose payment would have been deferred, and how the latter contribute to the short and long-term results of the company.

The remuneration accrued by the Directors in the 2023 financial year fully complies with the Company's Remuneration Policy, having applied the items provided for therein and no others.

Furthermore, the remuneration follows the principles of the Remuneration Policy referred to in section A.1.1 of this Report, which contributes to the sustainable and long-term performance of the Company.

The breakdown of the individual remuneration set out in section C below includes the amounts of the items mentioned in the corresponding points of section A above.

The performance of the entity's results does not affect the fixed remuneration of the Directors as such, the only ones who receive it, as there were no executive Directors in 2023.

The annual variable remuneration depends on the parameters described in section A.1.6 of this report and on the performance of each recipient of such remuneration, although it did not accrue in 2023, as there were no executive directors in that year.

The multi-year variable remuneration paid in 2023, corresponding to the 2020 Plan, was dependent not so much on the Company's performance as on the performance of its net asset value (NAV).

B.4. Report on the result of the consultative vote at the General Shareholders' Meeting on remuneration in the previous year, indicating the number of votes in favour, votes against, abstentions and blank ballots:

	Number	% of total
Votes cast	57,319,607	96.74
	Number	% of votes cast
Votes against	31,134	0.05
Votes in favour	57,288,473	99.92

	Number	% of votes cast
Blank ballots		0.00
Abstentions		0.00

Observations

B.5. Explain how the fixed components accrued and vested during the year by the directors in their capacity as such were determined, their relative proportion with regard to each director and how they changed with respect to the previous year.

In order to determine the fixed components accrued during the 2023 financial year by the Directors in their capacity as such, the Remuneration Policy approved in 2022, and updated on 19 June 2023, has been taken into account. There are amounts and nature are indicated in section A.1.3 of this report. With respect to the remuneration of the previous year, the remuneration of the members of the Audit and Compliance and Appointments and Remunerations Committees has changed, as the remuneration of the members and chairmen of these Committees has been increased in the Remuneration Policy, taking into account the remuneration of comparable companies.

Each Director receives their remuneration in accordance with the position held both on the Board of Directors and the Committees on which they sit.

B.6. Explain how the salaries accrued and vested by each of the executive directors over the past financial year for the performance of management duties were determined, and how they changed with respect to the previous year.

In 2023 there were no Executive Directors and therefore no accruals were made for the items indicated above.

B.7. Explain the nature and the main characteristics of the variable components of the remuneration systems accrued and vested in the year last ended.

In particular:

a) Identify each of the remuneration plans that determined the different types of variable remuneration accrued by each of the directors in the year last ended, including information on their scope, date of approval, date of implementation, any vesting conditions that apply, periods of accrual and validity, criteria used to evaluate performance and how this affected the establishment of the variable amount accrued, as well as the measurement criteria used and the time needed to be able to adequately measure all the conditions and criteria stipulated, explaining the criteria and factors applied in regard to the time required and the methods of verifying that the performance or any other kind of conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

b) In the case of share options and other financial instruments, the general characteristics of each plan will include information on both the conditions to acquire unconditional ownership (consolidation) and to exercise these options or financial instruments, including the price and term to exercise them.

c) Each director that is a beneficiary of remunerations systems or plans that include variable remuneration, and his or her category (executive director, external proprietary director, external independent director or other external director).

d) Information is to be provided on any periods for accrual, vesting or deferment of payment of vested amounts applied and/or the periods for retention/unavailability of shares or other financial instruments, if any.

Explain the short-term variable components of the remuneration systems:

A- Annual variable remuneration
During 2023, there were no Executive Directors, only the Directors for whom the Board of Directors is expected to approve the annual variable remuneration, on the recommendation of the Appointments and Remuneration Committee.

B- Remuneration in respect of participation in benefits or premiums.
There is no provision for remuneration in the form of profit-sharing.

C– Classes of directors who are beneficiaries of the annual variable remuneration.
Variable remuneration is only foreseen to be approved for Executive Directors. In 2023 there were no Executive Directors.

Explain the long-term variable components of the remuneration systems

A- Multi-year variable remuneration plans of which the Directors are beneficiaries.

A.1. Plan 2020
The 2020 Plan matured on 30/6/2023, which had been approved by the General Shareholders' Meeting held on 08/6/2020, and which consisted of a variable remuneration system linked to the performance of the Net Asset value (NAV) of the Company, in which each beneficiary would have been allocated a determined number of units, which in the case of Executive directors totalled 100,000 units. The multi-year variable remuneration took into account the difference between the "final NAV" and the "initial NAV" of Alba. In order to establish the initial NAV and the final NAV of Alba, the valuation of the Company's assets shall be in accordance with the following criteria:
- The scope of consolidation will comprise Corporación Financiera Alba, S.A. and the companies in which it has a state of more than 50%.
- Listed companies: the closing share price on the day of the calculation
- Non-listed companies: the value determined in the report as at 30 June carried out by the independent expert.
- Real estate: the appraisal value as at 30 June determined by the independent expert.
-Other assets and liabilities: at book value, less the provision for the multi-year variable remuneration recognised in the company's accounts, and those of a tax nature relating to Corporation Tax.
The calculation of the initial NAV of each share will take into account the mean net asset value per share of Corporación Financiera Alba, S.A. during the ten stock exchange trading sessions prior to the "initial date" of the Plan. The calculation of the final NAV will take into account the mean net asset value per share of Alba during the ten stock market sessions prior to the "final date" of the Plan.
The characteristics detailed in the 2020 Plan can be found in Relevant Fact no. 2.860, communicated to the CNMV and published on 18 June 2020. The Directors benefiting from this Plan were allocated the following "Units": Mr Juan March de la Lastra, 30,000 units; Mr Juan March Juan, 20,000 units; and Mr Santos Martínez-Conde Gutiérrez-Barquín, 50,000 units.

The "initial" NAV of 2020 Plan was 64.97 euro/share, and the "final" NAV was 97.40 euro/share for which reason a multi-year variable remuneration corresponding to the 2020 Plan of 32.43 euros/unit has accrued in the financial year 2023.

A2. Plan 2021
The system was approved by the General Assembly held on 21-06-2021 and was implemented by agreement of the Board on the same date. Its characteristics are:

- The plan consists of a variable remuneration system linked to the performance of the Net Asset value (NAV) of the Company.
- The Beneficiaries of the Plan are the Executive Directors and Directors that represent Alba on the Board of Directors of subsidiaries, investees or associated companies and any directors or personnel as determined by the Board. Each beneficiary is assigned a certain number of units, totalling 50,000 units for all the Directors.
- Value of the units. Each unit will grant the right to receive the difference between the "final NAV" and the "initial NAV" of Alba. The calculation of these is the same as that foreseen for the 2020 Plan, referred to in the previous point. Therefore, the "initial" NAV is 80.42 euros, equivalent to the mean net value of the assets of Alba during the ten trading sessions prior to the "initial day" of the Plan (01/07/2021) and the "final" NAV will be the mean net asset value per share of Alba during the ten stock market sessions prior to the

"final date" of the Plan, which will be the date on which the number of years established in the plan counted from the "initial date" have elapsed (30/06/2024).
The maximum difference between the "final" NAV and the "initial" NAV may not be more than 50% of the "initial" NAV.
- In the event of a dilution effect caused by a capital increase, the "initial NAV" shall be adjusted downward by the theoretical value of the preferential subscription right. A similar adjustment will occur in the event that a resolution is passed to distribute any extraordinary dividend or any other circumstance having a similar economic effect.
- Plan maturity. The Plan will mature after three years counted from 1/7/2021, which is the "initial date" agreed by the Board of Directors. On the "final date", the Company will perform the corresponding calculation and pay the remuneration along with the corresponding salary. This notwithstanding, the Company may also choose to settle the Plan through payment in shares valued at the quoted price at the close of the day before the date when they are transferred to the beneficiaries of the 2021 Plan.
- The rights arising from the application of the Plan are not transferable, except when due to death.
- It is a basic condition of the Plan that the beneficiary is still on the workforce or on the Board of Alba or its subsidiaries at the time the Plan matures.
- The amounts resulting from the application are considered to be "gross" and the fiscal regime currently in force shall apply to them, with the beneficiaries paying the corresponding amounts due.
- In the event that (i) the variable remuneration is paid based on data whose inaccuracies are demonstrated after it has been paid (e.g., based on any reservations in the external auditor's report that undermine the results), (ii) a fraudulent action is committed by the Director, or (iii) the Director causes serious harm to the Company due to fault or gross negligence, the Company shall have the right to claim the reimbursement of the relevant components of the variable remuneration from the Director. This claim may be executed within a period of three years of the moment when the Company made payment of the variable remuneration claimed.
The characteristics detailed in the 2021 Plan can be found in Relevant Fact no. 10115, communicated to the CNMV and published on 21 June 2021. The Directors benefiting from this Plan were allocated the following "Units": Mr Juan March de la Lastra, 30,000 units; and Mr Juan March Juan, 20,000 units.

B- Remuneration in respect of participation in benefits or premiums.
Remuneration consisting of profit sharing is not established, but there is a multi-year variable remuneration for the Directors as established in letter A above.

C - Classes of directors who are beneficiaries of remuneration systems that include a variable remuneration. Multi-year variable remunerations will apply only to Executive Directors.

D – Basis of the systems of variable remuneration, criteria for evaluation of performance, methods of evaluation and estimation of the absolute amount of the variable remunerations according to the current remunerations plan.
Variable remuneration is based on the management carried out by the management team and the results obtained with it and the value created for the shareholders will be taken into consideration when quantified.

At this time it is not possible to estimate the absolute amount of Directors' variable remuneration under the Plan mentioned in letter A.2 of this section.

E- Periods of deferral of payment or retention of shares.
The multi-year variable remuneration system provided for in letter A.2. of this section implies a three-year deferral in its receipt.

F- Share option plans.
Share option plans are not approved.

G- Accounting.
The amount accrued in accounting terms by the Directors receiving multi-year variable remuneration in 2023 represented 3,243,000 euros, which are recognised in the Financial Statements under "Staff costs".

The amounts effectively received in 2023 in accordance with the multi-year variable remunerations are detailed in the tables in Section C.1.a.i.

B.8. Indicate whether certain variable components have been reduced or clawed back when, in the former case, payment of non-vested amounts has been deferred or, in the latter case, they have vested and been paid, on the basis of data that have subsequently been clearly shown to be inaccurate. Describe the amounts reduced or clawed back through the application of the "malus" (reduction) or clawback clauses, why they were implemented and the years to which they refer.

No assumptions have occurred during the year 2023 which would have resulted in the reduction or claim referred, although in the Remuneration Policy and in the Contracts of the Directors the corresponding reduction or return clauses are foreseen.

B.9. Explain the main characteristics of the long-term savings systems where the amount or equivalent annual cost appears in the tables in

Section C, including retirement and any other survivor benefits that are financed, totally or partially, by the company, whether through internal or external contributions, indicating the type of plan, whether it is a defined contribution or benefit, the contingencies covered, the conditions to consolidate economic rights for directors and their compatibility with any type of severance pay for early termination or termination of the contractual relationship between the company and the director.

Section A1.7 of this Annual Report on Remuneration mentions the provision in the Remuneration Policy for an alternative defined contribution pension scheme.

During 2023 there have been no contributions to long-term savings schemes as there are no executive Directors, who are the only ones for whom such schemes can be established.

B.10. Explain, where appropriate, the severance pay or any other type of payment deriving from early dismissal or early resignation, or from the termination of the contract in the terms provided for therein, accrued and/or received by directors during the year ended.

There were no removals of Directors during the financial year 2023.

B.11. Indicate whether there have been any significant changes in the contracts of persons exercising senior management functions, such as executive directors, and, if so, explain them. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.

There were no Executive Directors during the 2023 financial year.

B.12. Explain any supplementary remuneration accrued by directors as consideration for services rendered outside of their post.

During the 2023 financial year, no Member of the Board has provided the Company services other than those inherent in their position, therefore accruing no supplementary remuneration.

B.13. Explain any remuneration deriving from advance payments, loans or guarantees granted, indicating the interest rate, their key characteristics and the amounts eventually returned, as well as the obligations taken on by way of guarantee or collateral.

There are no remunerations arising from the provision of advances, credits and guarantees.

B.14. Itemise the remuneration in kind accrued by the directors over the year, briefly explaining the nature of the different salary components.

There were no executive directors in 2023, the only ones for whom remuneration in kind can be provided.

B.15. Explain the remuneration accrued by directors by virtue of payments settled by the listed company to a third company at which the director renders services when these payments seek to remunerate the director's services to the company.

There are no remunerations of this type.

B.16. Explain and detail the amounts accrued in the year in relation to any other remuneration concept other than that set forth above, whatever its nature or the group entity that pays it, including all benefits in any form, such as when it is considered a related-party transaction or, especially, when it significantly affects the true image of the total remuneration accrued by the director. Explain the amount granted or pending payment, the nature of the consideration received and the reasons for those that would have been considered, if applicable, that do not constitute remuneration to the director or in consideration for the performance of their executive functions and whether or not has been considered appropriate to be included among the amounts accrued under the "Other concepts" heading in Section C.

There are no other remuneration items that meet the characteristics mentioned above of a related operation or which may affect the true image of the total remuneration accrued by the Directors.

C. ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Period of accrual in year 2023
CARLOS MARCH DELGADO	Proprietary Chairperson	From 01/01/2023 to 31/12/2023
JUAN MARCH DE LA LASTRA	Proprietary Vice-Chairperson	From 01/01/2023 to 31/12/2023
JUAN MARCH JUAN	Proprietary Vice-Chairperson	From 01/01/2023 to 31/12/2023
ANTONIO MARÍA PRADERA JÁUREGUI	Lead Director	From 01/01/2023 to 31/12/2023
ANA MARÍA PLAZA ARREGUI	Independent Director	From 01/01/2023 to 31/12/2023
CLAUDIA MAGALI PICKHOLZ	Independent Director	From 01/01/2023 to 31/12/2023
IGNACIO DE COLMENARES BRUNET	Independent Director	From 01/01/2023 to 31/12/2023
MARÍA EUGENIA GIRÓN DÁVILA	Independent Director	From 01/01/2023 to 31/12/2023
MARÍA LUISA GUIBERT UCIN	Independent Director	From 01/01/2023 to 31/12/2023
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	Other External Director	From 01/01/2023 to 31/12/2023

C.1. Complete the following tables regarding the individual remuneration of each director (including remuneration received for performing executive duties) accrued during the year.

a) Remuneration from the reporting company:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total year 2023	Total year 2022
CARLOS MARCH DELGADO	650		18						668	540
JUAN MARCH DE LA LASTRA	550		30			973			1,553	1,004
JUAN MARCH JUAN	550		30			649			1,229	821
ANTONIO MARÍA PRADERA JÁUREGUI	100		50						150	150
ANA MARÍA PLAZA ARREGUI	100		48						148	135
CLAUDIA MAGALI PICKHOLZ	100		55						155	140
IGNACIO DE COLMENARES BRUNET	100		30						130	130
MARÍA EUGENIA GIRÓN DÁVILA	100		55						155	150
MARÍA LUISA GUIBERT UCIN	100		25						125	130
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	100		47			1,621			1,768	1,060

Observations

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of Plan	Financial instruments start of year 2023		Financial Instruments granted during year 2023		Financial instruments vested during the year				Financial instruments consolidated during the year	Financial instruments at end of year 2023	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/ vested shares	Price of vested shares	Gross profit of vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
JUAN MARCH DE LA LASTRA	Plan 2021	30,000						0.00			30,000	
JUAN MARCH JUAN	Plan 2021	20,000						0.00			20,000	

Observations

iii) Long-term saving schemes.

Name	Remuneration from vesting of rights to saving schemes
No data	

Name	Contributions for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Saving schemes with vested economic rights		Saving schemes with non-vested economic rights		Saving schemes with vested economic rights		Saving schemes with non-vested economic rights	
	Year 2023	Year 2022	Year 2023	Year 2022	Year 2023	Year 2022	Year 2023	Year 2022
No data								

Observations

iv) Details of other items

Name	Concept	Amount of remuneration
No data		

Remarks

b) Remuneration of directors of the listed company for seats on the boards of other subsidiary companies:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total year 2023	Total year 2022
No data										

Observations

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of Plan	Financial instruments start of year 2023		Financial Instruments granted during year 2023		Financial instruments vested during the year				Financial instruments consolidated during the year	Financial instruments at end of year 2023	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/ vested shares	Price of vested shares	Gross profit of vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
No data												

Observations

iii) Long-term saving schemes.

Name	Remuneration from vesting of rights to saving schemes
No data	

	Contributions for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
Name	Saving schemes with vested economic rights		Saving schemes with non-vested economic rights		Saving schemes with vested economic rights		Saving schemes with non-vested economic rights	
	Year 2023	Year 2022	Year 2023	Year 2022	Year 2023	Year 2022	Year 2023	Year 2022
No data								

Remarks

iv) Details of other items

Name	Concept	Amount of remuneration
No data		

Remarks

c) Summary of remuneration (thousands of euros):

This summary must include the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

	Remuneration accruing in the Company					Remuneration accruing in group companies					
Name	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of saving schemes	Other items of remuneration	Total in year 2023, company	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of saving schemes	Other items of remuneration	Total in year 2023, group	Total in year 2023, company + group
CARLOS MARCH DELGADO	668				668						668
JUAN MARCH DE LA LASTRA	1,553				1,553						1,553
JUAN MARCH JUAN	1,229				1,229						1,229
ANTONIO MARÍA PRADERA JÁUREGUI	150				150						150
ANA MARÍA PLAZA ARREGUI	148				148						148
CLAUDIA MAGALI PICKHOLZ	155				155						155

	Remuneration accruing in the Company					Remuneration accruing in group companies					
Name	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of saving schemes	Other items of remuneration	Total in year 2023, company	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of saving schemes	Other items of remuneration	Total in year 2023, group	Total in year 2023, company + group
IGNACIO DE COLMENARES	130				130						130
MARÍA EUGENIA GIRÓN DÁVILA	155				155						155
MARÍA LUISA GUIBERT UCIN	125				125						125
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	1,768				1,768						1,768
TOTAL	6,081				6,081						6,081

Observations

C.2. Indicate the evolution in the last five years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have held this position during the year, the consolidated results of the company and the average remuneration on an equivalent basis with regard to full-time employees of the company and its subsidiaries that are not directors of the listed company.

	Year 2023	% variation 2023/2022	Year 2022	% variation 2022/2021	Year 2021	% variation 2021/2020	Year 2020	% variation 2020/2019	Year 2019
External directors									
CARLOS MARCH DELGADO	668	23.70	540	30.12	415	0.00	415	46.13	284
JUAN MARCH DE LA LASTRA	1,553	54.68	1,004	98.81	505	53.03	330	-44.54	595
JUAN MARCH JUAN	1,229	49.70	821	83.67	447	35.45	330	-14.51	386
MARÍA EUGENIA GIRÓN DÁVILA	155	3.33	150	0.00	150	0.00	150	17.19	128
CLAUDIA MAGALI PICKHOLZ	155	10.71	140	0.00	140	12.00	125	15.74	108
ANTONIO MARÍA PRADERA JÁUREGUI	150	0.00	150	0.00	150	15.38	130	23.81	105
ANA MARÍA PLAZA ARREGUI	148	9.63	135	0.00	135	0.00	135	101.49	67
MARÍA LUISA GUIBERT UCIN	125	-3.85	130	0.00	130	0.00	130	100.00	65
IGNACIO DE COLMENARES BRUNET	130	0.00	130	100.00	65	-	0	-	0
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	1,768	66.79	1,060	91.34	554	-59.94	1,383	-6.87	1,485
Consolidated results of the company									
	245,000	-43.81	436,000	43.89	303,000	-	-102,000	-	179,000

	Total amounts accrued and % annual variation										
	Year 2023	% variation 2023/2022	Year 2022	% variation 2022/2021	Year 2021	% variation 2021/2020	Year 2020	% variation 2020/2019	Year 2019	% variation 2019/2018	Year 2018
Average employee remuneration											
	201	12.92	178	19.46	149	-5.70	158	-11.24	178	13.38	157

Observations

D. OTHER INFORMATION OF INTEREST

If there is any relevant aspect regarding the remuneration of directors that has not been included in the rest of the sections of this report, but which must be included in order to collect more complete and reasoned information on the remuneration structure and practices of the company in question. relationship with your directors, describe them briefly.

-

This annual remuneration report has been approved by the Board of Directors of the company on:

18/03/2024

State whether any board member has voted against or abstained from approving this report.

[ ] Yes
[√] No

PROPOSED RESOLUTIONS

The Board of Directors submits to the consideration of the General Meeting the adoption of the following resolutions:

1. Approval of the annual accounts, both individual and consolidated, for the financial year ending 31 December 2023.

2. Approval of the management by the Board of Directors during the same financial year.

3. Approval of the Statement of Non-Financial Information, for the financial year ending 31 December 2023.

4. Approval of the proposed allocation of results of the financial year 2023.

5. Distribution of dividend charged to reserves.

6. To re-elect the following members of the Board: 6.1. Ms María Eugenia Girón Dávila (Independent Director); 6.2. To re-elect Ms Claudia Pickholz (Independent Director); 6.3. To re-elect Mr Carlos March Delgado (Proprietary Director); and, 6.4. To re-elect Mr Juan March de la Lastra (Proprietary Director).

7. Approval, in an advisory capacity, the Remuneration Report of the Board of Directors for the year 2022.

8. Approval, pursuant to Article 219 of the Spanish Corporate Enterprises Act and Article 39 of the Bylaws, of a multi-year variable remuneration linked to the evolution of the Company's net asset value (NAV), for the persons determined by the Board of Directors, in order to bind them directly to the shareholder value creation process.

9. Authorisation for the acquisition of treasury stock, within the maximum limits permitted at a given time and in compliance with the requirements established in the Spanish Corporate Enterprises Act, and the use of the shares acquired by virtue of this authorisation and prior authorisations, for the allotment of remuneration plan of executive directors, executives and employees consisting of the delivery of shares or options thereon, and authorise the Board of Directors to reduce the share capital, where applicable.

10. Authorisations to the Board of Directors to increase the share capital in accordance with the provisions of article 297.1.b) of the Capital Companies Act. 10.1. Up to 20% of the share capital by eliminating pre-emptive subscription rights. 10.2. Up to 50% of the share capital without elimination of pre-emptive subscription rights. 10.3. Without exceeding the established maximum amounts.

11. Authorisation to the Board of Directors to execute the resolutions adopted at the General Meeting.

12. Approval of the minutes of the General Meeting.